DEC 0 5 1987

GA 1.13:GGD-87-10

United States General Accounting Office

GAO

Report to the Honorable
William Proxmire, U.S. Senate

COMPLETED 83

February 1987

PRESIDENTIAL INAUGURATIONS

Legislation Is Needed to Clarify Agencies' Support Roles

GAO/GGD-87-10

GAO

United States
General Accounting Office
Washington, D.C. 20548

General Government Division

B-202278

February 27, 1987

The Honorable William Proxmire
United States Senate

Dear Senator Proxmire.

This report responds to your request that we perform an audit of federal expenditures related to the 1985 presidential inaugural activities. The report contains an accounting of the major federal inaugural expenditures and our findings and recommendation relative to the legal authority federal agencies rely upon when incurring expenses related to inaugural activities.

We have now examined the manner in which several inaugurations were managed and the extent to which government resources are generally made available for inaugural purposes. It is clear that current legislation does not cover all of the activities involving government participation. It is equally clear, however, that the national character and purpose of a presidential inauguration together with congressional and general public awareness of the activities involved make it exceedingly difficult to police expenditures along precise conventional lines. It is our opinion, therefore, that in order to achieve a proper balance in the conduct of presidential inaugurations, it is essential for Congress to provide legislative authority in the context of inauguration celebration customs which have grown through the years.

Until the legal and policy questions surrounding the propriety of federal agency support of inaugural activities are resolved, we will continue to have difficulty in determining the appropriateness of specific types or amounts of federal support. Without clarifying legislative guidance, we will not be able to review effectively the adequacy of relevant agency regulations or the propriety of government contributions toward inaugural activities. We are willing to work with the applicable congressional committees in reviewing current legislation and devising a legislative solution to the legal and policy problems encountered by federal agencies.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 14 days from the issuance date. At that time, we will send copies to the Chairmen, House Committee on Appropriations, House Committee on Government Operations, Senate Committee on Appropriations, and Senate Committee on Governmental Affairs; the Director, Office of Management and Budget; the Mayor, District of Columbia; and the heads of the departments and agencies involved in the inauguration.

Sincerely yours,

W.J. Anderson

William J. Anderson
Assistant Comptroller General

Executive Summary

Purpose

The inauguration of the President is dependent upon a substantial commitment of taxpayer-supported, federal agency resources. In 1985, seven federal agencies and the District of Columbia, according to their records, spent about $16 million supporting President Reagan's second inauguration.

At the request of Senator William Proxmire, GAO examined

- the adequacy of the statutory authority for federal agencies to use their resources to support inaugural activities and
- whether there is a need for legislation to clarify the policy on the use of federal resources to support future inaugurations. (See p. 8.)

Background

Since 1789 the constitutionally prescribed presidential swearing-in, now under the auspices of the Joint Congressional Committee on Inaugural Ceremonies, has been the only legally required inaugural event. The other inaugural activities—the galas, balls, concerts, and parade—were elements of past inaugurations now formalized due to custom and tradition.

The Presidential Inaugural Committee, which was in GAO's opinion a private entity, was responsible for the official 1985 inaugural events. These events were largely planned, staffed, and executed by federal employees at the taxpayers' expense. Use of taxpayer funds has caused concern in federal agencies about the statutory basis for federal participation.

In a 1983 Comptroller General decision concerning 1981 inaugural support by the Department of Defense (DOD), GAO recommended that existing legislation be reviewed and, if needed, that new legislation be developed to clarify federal agency authority to support inaugural activities. (See p. 20.)

Results in Brief

Legislation is needed to clarify federal agencies' roles in inaugural planning and support activities, the nature of the inaugural event, and the Presidential Inaugural Committee for future inaugurations. DOD and the General Services Administration, two agencies with broad roles, lack clear statutory authority to provide certain types of inaugural support.

Under existing law, agencies may not use federal funds to support private concerns, and federal personnel may not perform services for private concerns even if the government is compensated or reimbursed in kind.

GAO Analysis

Statutory Authority

Inadequate statutory authority for federal agencies' participation in inaugurals has been a longstanding problem. Some agencies have obtained specific statutory authority from Congress spelling out authorized inaugural support; however, other agencies, including DOD, have only limited statutory authority to guide them. (See pp. 17-19.)

DOD, due to its ceremonial military role, has assumed the primary federal role in inaugural support but needs clearer, more specific statutory authority. Since 1977 this need has been recognized quadrennially in DOD internal reports. With DOD's support, clarifying legislation was introduced following the 1977 and 1981 inaugurals, but Congress chose not to act. (See pp. 22-24.)

For the 1985 inaugural, DOD and the White House attempted to clarify DOD's authority to provide inaugural support through guidelines; still, DOD provided, in GAO's opinion, legally questionable support at taxpayers' expense. No new legislation has been introduced since the 1985 inaugural. (See pp. 24-27.)

Officials of the Presidential Inaugural Committee in their final report on administrative operations concluded that clearer guidance was needed.

Also, officials of the General Services Administration, which has obtained the most detailed legislative guidance of the agencies GAO reviewed, recommended internally in their 1985 inaugural final report that Congress revise the agency's legislative authority to better define the services that the General Services Administration is expected and authorized to provide the Presidential Inaugural Committee and other inaugural participants. GAO is unaware of such legislation having been introduced. (See pp. 27-29.)

Funding Guidance

Certain federal agencies lacked clear legislative guidance on what support to provide to the Presidential Inaugural Committee. In addition, they adopted a variety of reimbursement practices. At the Smithsonian Institution, no taxpayer funds were used for Presidential Inaugural Committee activities, because advance payment was obtained from the

Presidential Inaugural Committee. Yet, at DOD virtually all inaugural support was without reimbursement from the Presidential Inaugural Committee.

If the Presidential Inaugural Committee were a private entity, use of any taxpayer funds would be improper. Moreover, even if the Presidential Inaugural Committee were considered a public entity, the Presidential Inaugural Committee did not reimburse federal agencies for services provided as required by statutes governing interagency transactions. (See pp. 30-33.)

In GAO's opinion, unless the Presidential Inaugural Committee's status is clarified, the improper use of taxpayer funds to support the Presidential Inaugural Committee, which GAO believes is a private organization, will reoccur in the planning and execution of the 1989 inaugural and all future inaugurals. (See p. 33.)

Recommendation to the Congress

GAO believes that the inaugural statutory authority and funding problems can only be resolved by congressional action. GAO recommends that Congress enact legislation to clearly establish:

- the extent to which inaugural functions and activities are to be publicly financed either through specific appropriations or through assistance provided by departments and agencies, and
- that the disbursement of public funds or the furnishing of assistance over and above the extent authorized shall constitute a violation of the Anti-Deficiency Act in the amount of such overdisbursement or the amount of the full cost of assistance provided, unless prompt reimbursement is made by the political party of the newly elected President or from other private funds. (See p. 36.)

Agency Comments

GAO provided copies of a draft of this report to the Executive Office of the President, DOD, General Services Administration, the Departments of the Interior (for the National Park Service and Park Police) and the Treasury, the Smithsonian Institution, and the District of Columbia for their review and comments. The comments received are included as appendixes XV - XXI. (See pp. 69-81.)

Three agencies—DOD, the General Services Administration, and the National Park Service—agreed with GAO's recommendation to the Congress while the other four agencies had no comments on the recommendation. The Executive Office of the President said that, in its opinion, any proposed legislation should be flexibly drafted and should not impose rigid requirements on this unusual event. (See p. 69.)

While DOD concurred with GAO's recommendation, it disagreed with GAO's opinion that the Presidential Inaugural Committee was a private entity and that a significant amount of the support DOD provided the Presidential Inaugural Committee was therefore without proper legal authority. GAO continues to believe that the Presidential Inaugural Committee is, under the law, a private entity. However, GAO also believes that this matter should be clarified by Congress by enacting legislation. (See pp. 41 and 42.)

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Abbreviations

AFIC	Armed Forces Inaugural Committee
DOD	Department of Defense
GAO	General Accounting Office
GSA	General Services Administration
JCCIC	Joint Congressional Committee on Inaugural Ceremonies
PIC	Presidential Inaugural Committee

Introduction

For two hundred years, the quadrennial presidential inaugural ceremony has been our nation's mechanism for the orderly transfer of leadership. The inaugural ceremony brings together the leadership of the federal government—legislative, executive, judicial—and the public and private sectors as the President-elect repeats the simple 37-word oath of office in use since 1789. The inauguration is also a celebration of the political party of the President-elect, to be enjoyed and remembered by party workers and the public.

On February 19, 1981, Senator William Proxmire requested our opinion on the legality of Department of Defense (DOD) support of certain activities associated with the 1981 inauguration. In our April 18, 1983, response (62 Comp. Gen. 323), we stated that much of the DOD support was without proper legal authority and that this lack of authority resulted in practices questionable on policy as well as legal grounds. Our response recognized, however, that DOD's role was based on longstanding custom rather than law and was undertaken with the knowledge and approval of Members of the Congress. We recommended that Congress establish a clear basis in policy and law for DOD participation in inaugural activities.

Objectives, Scope, and Methodology

Senator Proxmire, in a January 10, 1985, letter (see app. I) requested an audit of all federal expenditures related to the 1985 inaugural activities. The request, and subsequent clarifications by the Senator's office, focused our audit on the following:

- developing an estimate of the cost of taxpayer support, through federal agency expenditures, for the 1985 inaugural (see app. III);
- assessing the authority for federal agency expenditures and the need for legislation to clarify such expenditures in support of future inaugurations;
- obtaining copies of all federal agencies' after action reports (final reports on inaugural support);
- documenting DOD's support, such as personnel provided, logistical support, etc., for the 1985 inaugural activities (see app. IV);
- obtaining an estimate of the income earned from the sale of inaugural commemoratives (see app. XIV); and

- assessing possible violations of the Anti-Deficiency Act (31 U.S.C. 1341)[1] in any of the above activities (see pp. 10 and 19).

As requested by Senator Proxmire's office, we did not review expenditures by or at the direction of the Joint Congressional Committee on Inaugural Ceremonies (JCCIC). Since 1901 Congress has quadrennially formed a temporary JCCIC to plan the swearing-in ceremony at the Capitol. Furthermore, as agreed with Senator Proxmire's office, the costs of federal agencies' inaugural support contained in this report were obtained from agency records, or provided by agency officials, without our verification as to their accuracy.

Our audit did not have access to the Presidential Inaugural Committee (PIC) records on a timely basis; therefore, we could not fully document federal support of PIC's inaugural activities. In our initial discussions with senior PIC officials in February 1985, we reached agreement on their providing prompt audit access to PIC's records and staff. However, early in our audit, a member of PIC's legal office questioned the appropriateness of the agreement providing us access to records and staff and instructed the PIC staff to withhold cooperation until the matter was resolved. Resolution of the appropriateness of PIC's cooperation was not achieved until June 1985, after PIC operations had been terminated. Therefore, we were unable to obtain PIC's rationale for requesting specific types of federal support and PIC's position on the problems noted by the federal agencies.

Our field work, conducted between January and September 1985, focused on legal and financial issues related to federal support of the 1985 inaugural. We focused on the DOD role, implemented through the Armed Forces Inaugural Committee (AFIC). We also developed information on the support provided by the District of Columbia Government; General Services Administration (GSA); National Park Service and U.S. Park Police, Department of the Interior; U.S. Secret Service; Federal Bureau of Investigation; and the Smithsonian Institution. The agencies selected were identified from previous inaugural records as major providers of federal support.

[1]The Anti-Deficiency Act provides that an officer or employee of the United States government or the District of Columbia government may not make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund for the expenditure or obligation; or involve either government in a contract or obligation for the payment of money before an appropriation is made unless authorized by law.

Our audit effort focused on DOD and GSA efforts because DOD, under its ceremonial military role in the Nation's Capital, played a major role in planning and executing inaugural events, while GSA, under its facilities and housekeeping functions, was the major provider of facilities and services.

At each agency, we discussed inaugural planning and operations, obtained costs and statistical data, and obtained the agency's opinions on the legality of its inaugural support. We focused our work on identifying and developing the policy and legal issues where an agency was unsure of its authority or where multiple agencies experienced operational problems because of legal or policy insufficiencies. As policy or legal issues were identified, we discussed potential solutions with agency officials.

In order to provide the cost and statistical data requested, we obtained budget and cost reports, operating plans, staffing documents and organizational charts, and after action reports.[2] We also obtained agency-prepared special analyses of selected aspects of their inaugural activities.

The compilation of costs, particularly material donated to PIC such as vehicles and gasoline, raised the issue of the net effect on federal, state, and local revenues as a result of tax deductions taken by the donating entity. Furthermore, the tax treatment of private sector monetary support of PIC could affect taxing bodies' revenues. However, because access to PIC's private sector donor records was not provided, we were unable to trace private sector material or monetary support to determine either tax treatment or effect on taxing bodies' revenues.

Our audit documented DOD's past internal concern over violation of the Anti-Deficiency Act in providing inaugural support. However, in view of the unanswered policy questions surrounding the appropriateness of federal agency support, without clarifying legislative guidance we will not be able to review effectively the propriety of government contributions toward inaugural activities, including potential Anti-Deficiency Act violations, particularly where Congress has taken no action to alleviate concerns previously expressed by GAO and DOD.

In order to show the growth of the inaugural as a multiple event, multiple day celebration we identified several books and periodical and

[2]The final operational overview and "lessons learned" reports prepared at the conclusion of an agency's inaugural operations.

newspaper articles which documented the events of each inauguration since George Washington's in 1789. The brief discussion of the history of several inaugural events is a synopsis of the information obtained from the materials identified in our literature search.

We believe that the factual data provided by this report could provide the basis by which Congress, through new legislation, would provide federal agencies clear guidance for future inaugurals.

Our audit work at each agency was performed in accordance with generally accepted government audit standards, within the limitations discussed above.

Historical and Legal Basis for Federal Agencies' Inaugural Support

The Constitution of the United States prescribes the only legal requirement for the inauguration of a President: the oath of office. The constitutionally prescribed oath has, through historically accepted custom and tradition, become surrounded by the many events associated with today's inaugurals. Periodically, Congress has also enacted legislation setting forth the appropriate inaugural support roles of federal agencies.

The growth of inaugural activities and the various pieces of legislation authorizing federal agency participation have created the current problem that some agencies face in not having clear legal authority for the support that they provide the inauguration.

In our opinion, the perspective of the growth of the inaugural, both historically and legislatively, is necessary to understand the questions that some agencies have about the adequacy of their statutory authority when presented with PIC requests for support.

Historical Basis

The initial century-and-a-half of the United States saw inaugurations composed of the swearing-in, a parade, and ball(s). Then, as in more recent years, there were certain inaugurations that varied from the norm to reflect the desires of the President-elect. However, major changes began in this century with the addition of new inaugural events and an expansion of the traditional activities.

The Ball

The first inaugural ball was not a part of George Washington's inaugural, but rather a formal dance held several weeks after the swearing-in. While Washington's formal dance was referred to as an inaugural ball, the ball was not open to the public as an official inaugural function until James Madison's inauguration in 1809. In that year, a group of private citizens organized and sold tickets to a ball which in theory anyone could attend. In practice, however, tickets were only available to those invited by the organizers.

From those modest beginnings, the number of inaugural balls has increased. While one inaugural ball was sufficient for James Madison in 1809, Martin Van Buren's inaugural in 1837 was highlighted by two inaugural balls, and the 1841 festivities for William Henry Harrison produced three inaugural balls. In more recent years the number of inaugural balls increased to five for John F. Kennedy in 1961 and nine for Ronald Reagan in 1985.

Over the years, inaugural balls have been held in a variety of locations. Initially, they were held in private hotels and meeting halls. In the mid-nineteenth century several balls were held in large temporary structures erected solely for that purpose. With the completion of the Pension Building at Judiciary Square, the ball found a permanent site from 1885 until 1913. Today, the Pension Building remains the site of one of the balls; the others are held in hotels, museums, and large meeting halls.

The Parade

As with the ball, the parade first became part of the official inaugural ceremonies during Madison's inaugural in 1809. Then, as today, the parade route of Madison and his small escort of cavalry and militia proceeded along Pennsylvania Avenue.

The content and complexity of the parade has, over nearly 200 years, reflected the changes in the nation. Nineteenth century parades were dominated by fife and drum corps, herds of livestock, and Indians. In the 1857 parade for James Buchanan, large floats representing the states and various other groups were used for the first time.

Twentieth-century parades have been characterized by the display of emerging technology. The 1929 parade for Herbert Hoover was the first to include aircraft in a flyover. In addition, his festivities were the first to be recorded on a talking newsreel and broadcast by radio. By 1949, the festivities for Harry S. Truman were transmitted by television to millions of viewers.

The Gala

In 1941, Franklin Roosevelt's third inauguration saw the introduction of the inaugural gala. Usually held 2 nights before the swearing-in ceremony, the gala is intended to be a salute to the President-elect, although its main purpose is to raise money to help defray the ever-increasing costs of the inauguration.

The Inauguration Today

The responsibility for planning and executing the 1985 inauguration rested with the three principal inaugural committees: namely, the Presidential Inaugural Committee (PIC), the Joint Congressional Committee on Inaugural Ceremonies (JCCIC), and the Armed Forces Inaugural Committee (AFIC).

The PIC was responsible for all official inaugural events other than the swearing-in ceremony. Organized after the November 1984 election, the

PIC was responsible for 19 activities during the 4-day inaugural weekend. Included were a prelude pageant, two galas, concerts, a prayer service, and nine inaugural balls. The planned parade was cancelled due to the extremely cold weather.

In addition to the inaugural weekend events, PIC commissioned and sold commemoratives, from sweatshirts and jelly bean jugs to limited edition porcelain sculptures, to the general public. Since PIC would not begin to receive revenue from the sale of commemoratives until late December 1984, about $8 million in operating funds were raised from private sector contributions to the Inaugural Guaranty Fund-1985. In the past, these contributions, which were in essence interest-free advances, were fully reimbursed from subsequent inaugural revenue.

The staff of PIC, about 400 in total, relied upon the assistance of AFIC and the federal agencies to plan and execute all official inaugural events except the swearing-in ceremony. AFIC, with about 8,500 personnel involved at one time or another, provided staff support to PIC, planned and would have managed the parade had it not been canceled, provided ceremonial units for inaugural events, and generally carried a large portion of the responsibility for communications, transportation, health and safety, and other operational details.

Other federal agencies and the District of Columbia government provided various services in support of PIC. Public safety and event security were the responsibility of the Secret Service, the U.S. Park Police, and the Washington Metropolitan Police. The District of Columbia government had a major role in planning and executing many inaugural events. Finally, GSA provided PIC's facilities, telephone services, and administrative supplies and housekeeping.

The single event not the responsibility of PIC was the swearing-in ceremony at the Capitol. That event, by law, was planned and supervised by the JCCIC. Further, the JCCIC was responsible for transporting the President-elect to the Capitol for the swearing-in and then to the White House. The JCCIC relied on the AFIC for ceremonial units, event security, the military cordon of the Capitol grounds, and health and public safety support.

Legislative Basis for Federal Inaugural Support

This report discusses the legislative basis for the inaugural roles of only six federal agencies and the District of Columbia. Additional federal agencies, the States of Maryland and Virginia, and the metropolitan Washington local governments had active roles in the inauguration. Therefore, the following summary should not be considered a complete discussion of all current inaugural authorities, particularly state and local authorities.

In February 1889, the first inaugural funds were appropriated to provide for the maintenance of order. The initial appropriation of $8,500 (25 Stat. 669, c. 153) was followed in March 1889 by a $3,000 appropriation to the Secretary of the Senate "for expenses of inaugural ceremonies" (25 Stat. 978).

Before 1956, the greatest single legislative change to the inaugural occurred in 1901. Before 1901 the swearing-in was the responsibility of a Senate Committee on Arrangements. But in 1905, the Congress provided for a Joint Congressional Committee For Inaugurations, including an appropriation, to plan and execute the swearing-in and attendant ceremonies at the Capitol and on the Capitol grounds.

Comprehensive Inaugural Legislation - the Presidential Inaugural Ceremonies Act of 1956

In 1956, Congress addressed the issue of permanent inaugural legislation with enactment of the "Presidential Inaugural Ceremonies Act" (36 U.S.C. 721-730). The act, composed of nine sections, established the general roles and the responsibilities of the JCCIC, PIC, DOD, the Department of the Interior and the District of Columbia but did not preclude other statutory authorities.

Subsection 721(b)(1) defines the term inaugural period as:

> "the day on which the ceremony of inaugurating the President is held, the five calendar days immediately preceding such day, and the four calendar days immediately subsequent to such day."

Subsection 721(b)(2) provides for establishing a PIC for each inauguration and defines it as "the committee in charge of the Presidential inaugural ceremony and functions and activities connected therewith, to be appointed by the President-elect." The statute does not specifically define PIC as a public or private entity and contains no authority for federal financial assistance to PIC.[1]

[1]62 Comptroller General 323, April 18, 1983, sets forth GAO's interpretation that 36 U.S.C. 721 (b)(2) established PIC as a private, non-governmental entity.

Section 723, as amended, specifically authorizes funds for the District of Columbia to enable it to

"provide additional municipal services . . . during the inaugural period, including employment of personal services without regard to the civil-service and classification laws; travel expenses of enforcement personnel, including sanitarians, from other jurisdictions; hire of means of transportation; meals for policemen, firemen, and other municipal employees, cost of removing and relocating streetcar loading platforms. construction, rent, maintenance, and expenses incident to the operation of temporary public comfort stations, first-aid stations, and information booths; and other incidental expenses in the discretion of the Commissioners [now Mayor of the District of Columbia]. . . ."

Section 726, now codified as 10 U.S.C. 2543, authorizes the Secretary of Defense to lend to the PIC the following:

"such hospital tents, smaller tents, camp appliances, hospital furniture, ensigns, flags, ambulances, drivers, stretchers, and Red Cross flags and poles (except battle flags) as may be spared without detriment to the public service, and under such conditions as he may prescribe."

Section 729 reserves for the JCCIC responsibility for all inaugural activities at the Capitol or upon Capitol grounds or other property under the jurisdiction of the Congress. In addition, the section permits JCCIC access, upon request, to any services or facilities otherwise authorized by the act.

Other provisions of the act authorize

- Congress to appropriate funds for District of Columbia expenses during an inauguration;
- the District to make regulations for the protection of life, health, and property during the inaugural period;
- the District to grant special licenses to persons selling goods, wares, and merchandise on the streets of the District during the period;
- the Secretary of the Interior (or his/her designated agent) to grant permits to PIC for the temporary use of public space under the control of the federal government outside of the Capitol grounds; and
- the District to grant permits to PIC for temporary use of public space and the temporary installation (by PIC) of lighting or communications facilities on and over public space.

Inaugural Authority Applicable Only to Specific Agencies

As discussed below, the inaugural authority needs of some agencies have been addressed outside the framework of the 1956 act.

DOD Authority

The limited nature of DOD's authority under the Presidential Inaugural Ceremonies Act forces DOD to find other sources of inaugural support authority. DOD cites the Economy Act, 31 U.S.C. 1535 (see p. 20), internal DOD Community Relations regulations, and DOD's traditional ceremonial role in national celebrations to justify the inaugural support that it provides.

DOD Community Relations regulations encompass a broad range of activities with emphasis on participation in local community events. The regulations define "community relations" as "the relationship between military and civilian communities" and include recognition that

> "[t]he morale of all personnel of the Department of Defense is affected by the favorable or unfavorable attitudes of the civilian community toward their mission and their presence in the area."

The regulations also recognize that

> "[a]ctive participation of military units and military personnel and their dependents as individuals in civilian activities, organizations, and programs is an important factor in establishing and maintaining a state of mutual acceptance, respect, cooperation, and appreciation between the Armed Forces and civilian communities affected by their operations."

General Services Administration

In 1968, Congress legalized GSA's previously unauthorized participation in inaugural activities by amending the Federal Property and Administrative Services Act [40 U.S.C.490(a)(15)] to authorize GSA to

> "render direct assistance to and perform special services for the Inaugural Committee (as defined in section 721 of Title 36) during an inaugural period in connection with Presidential inaugural operations and functions, including employment of personal services without regard to the civil service and classification laws; provide government-owned and leased space for personnel and parking; pay overtime to guard and custodial forces; erect and remove stands and platforms; provide and operate first aid stations; provide furniture and equipment; and provide other incidental services in the discretion of the Administrator."

The provisions authorizing GSA's role do not address funding and reimbursement. In recent years, GSA's financial responsibility has been determined during negotiations with PIC.

For internal planning purposes GSA separately identifies funds, exclusive of normal operating funds, for all inaugural expenses in order that annual operating funds are not affected by inaugural expenses.

District of Columbia

The District of Columbia government supports PIC inaugural activities pursuant to the provisions of the Presidential Inaugural Ceremonies Act (discussed previously) and the District of Columbia Self-Government and Governmental Reorganization Act (P.L. 93-198).

Section 737(b) of P.L. 93-198 provides that the District be reimbursed "for necessary expenses incurred by the District in connection with assemblages, marches, and other demonstrations in the District which relate primarily to the Federal Government." The form and timing of such payments is to be agreed upon between the Mayor, District of Columbia, and the Director, Office of Management and Budget.

U.S. Secret Service

The inaugural role of the U.S. Secret Service is based on the general powers authorized by 18 U.S.C. 3056; P.L. 90-331, approved June 6, 1968, as amended; and the "Presidential Protection Assistance Act of 1976," P.L. 94-524. In combination, these acts grant the U.S. Secret Service wide-ranging protective functions involving the President, Vice-President, immediate families, and others eligible under their provisions. While none of the statutes specifically refers to inaugural activities, all are sufficiently broad to encompass such occasions.

The provisions of Section 6 of P.L. 94-524 provide for extensive interaction, particularly appropriate during events such as the inaugural, between the Secret Service and other federal departments. Specifically, Section 6 provides that

> "[E]xecutive departments and Executive agencies shall assist the Secret Service in the performance of its duties by providing services, equipment, and facilities on a temporary and reimbursable basis when requested by the Director and on a permanent and reimbursable basis upon advance written request of the Director; except that the Department of Defense and the Coast Guard shall provide such assistance on a temporary basis without reimbursement when assisting the Secret Service in its duties directly related to the protection of the President or the Vice-President or other officer immediately next in order of succession to the office of the President."

Department of the Interior

The National Park Service and U.S. Park Police are the Interior components directly involved in inaugural activities. Both components rely upon the provisions of the Presidential Inaugural Ceremonies Act for most of their authority to participate in inaugural activities and to expend appropriated funds for this purpose.

In addition, we were informed that Park Police participation in inaugural activities on Park Service lands was authorized under the administrative provisions of P.L. 98-473, Department of the Interior Appropriation Act, which provided

> "[t]hat any funds available to the National Park Service may be used, with the approval of the Secretary, to maintain law and order in emergency and other unforeseen law enforcement situations and conduct emergency search and rescue operations in the National Park System."

In a March 1986 report,[2] we recommended that the Secretary of the Interior direct the Director of the National Park Service to ensure that emergency law enforcement expenditures are made for the purposes authorized by the Congress by requesting funds for anticipated, recurring, and routine law enforcement costs through the annual budget process.

General Purpose Legislation With Applicability to Federal Agency Inaugural Support

The Anti-Deficiency Act (31 U.S.C. 1341) provides that no officer or employee of the United States shall make or authorize an expenditure from or create or authorize an obligation under any appropriation or fund in excess of the amount available therein; nor shall any officer or employee involve the government in any contract or other obligation, for the payment of money for any purpose, in advance of appropriations made for such purposes, unless such contract or obligation is authorized by law.

For example, in 1977, the Staff Judge Advocate, Military District of Washington, decided that 10 U.S.C. 2543 was a statutory limitation upon the use of DOD funds for armed forces participation in the inaugural. To exceed or deviate from the statutory limitation through unauthorized large scale transportation support to the PIC would constitute a violation of the Anti-Deficiency Act.

[2]National Parks: Emergency Law Enforcement Expenditures at Two Recreation Areas (GAO/RCED-86-107, Mar. 7, 1986).

The Economy Act, Section 601, 31 U.S.C. 1535, provides for the furnishing of materials, supplies, and services between executive departments, independent establishments, bureaus or offices of the government. This act permits the interchange of services on a reimbursable basis only.

Application of the Economy Act to inaugurals is limited, however, because PIC, a private, non-profit corporation, is not a governmental establishment and thus is outside the scope of the act.[3]

The Posse Comitatus Act (18 U.S.C. 1385) prohibits the use of military personnel to enforce civilian laws except in cases and under circumstances expressly authorized by the Constitution or by an act of Congress. In this context DOD recognized at least three exceptions, one express and two claimed, to the act. First is the express authority of the President, under Chapter 15 of Title 10 of the U.S. Code, to suppress insurrections. The armed forces may be used under those circumstances, pursuant to a presidential proclamation, under 10 U.S.C. 334. A second exception to the act, claimed by DOD in connection with its inaugural activities, is the authority of the President, as a necessary adjunct of his/her constitutional duties and powers under Article II, Section 3 of the Constitution, to direct troops in the protection of federal property and functions. DOD asserts that exercise of this authority does not require a formal presidential proclamation; however, the President must direct that troops be used in a protective capacity. The third exception claimed by DOD to the act is the Presidential Protection Assistance Act of 1976, which authorizes the federal departments, pursuant to a request by the Director of the U.S. Secret Service, to assist the Secret Service in the performance of its protective duties.

In the absence of either a presidential proclamation, presidential directive, or request from the Director of the Secret Service, military personnel are not authorized, outside a military reservation, to engage in crowd control, security, or civilian law enforcement activities.

Prior GAO Legislative Recommendation to Clarify Inaugural Authority

In April 1983, we responded to a request from Senator William Proxmire for an opinion on the legality of certain support DOD provided the 1981 inauguration. In addition, our views were requested on an appropriate statutory remedy, in the event we concluded that there was insufficient statutory authority for DOD's support.

[3]See note 1.

We reported that there was no specific statutory authority for DOD's support, exclusive of safety and medical support, nor were many of DOD's inaugural activities covered by more general authorities, such as the Economy Act or regulations that support expenditures for local community relations activities. Accordingly, we concluded that much of the support provided by DOD for 1981 inaugural activities was without proper legal authority. However, we recognized that inaugurations are highly symbolic national functions for which DOD support traditionally had been provided with the knowledge and approval of members of Congress. We concluded that the lack of a statutory base for this support had resulted in practices questionable on a policy as well as a legal basis.

In our 1983 Comptroller General decision to Senator Proxmire, we recommended that Congress undertake a review of the Presidential Inaugural Ceremonies Act for the purpose of conforming its provisions to recent practices or prohibiting the practices that do not conform with the act. In this review, we suggested that special attention be given the following issues:

(1) which inaugural events should be funded by taxpayers and which by private, politically related funds;

(2) whether the government should be represented on PIC if the government is bearing any substantial inaugural costs;

(3) whether government funding should vary depending on the inaugural activity; and

(4) DOD's appropriate role in inaugural activities in view of the trend toward increased DOD responsibility.

Certain Federal Agencies Lack Clear Statutory Authority for Support Provided the Inauguration

In 1985 DOD was concerned that it lacked statutory authority to respond to some of PIC's requests for inaugural support. Furthermore, other agencies, such as GSA, also had questions about their authority when responding to PIC. These concerns stemmed from the lack of a specific statutory definition of the PIC organization and the adjunct inaugural events; the balls, galas, etc., as public or private undertakings. Given this lack of clear statutory guidance and the longstanding tradition of federal agency inaugural participation, the agencies were not able to clearly determine the legal appropriateness of supporting PIC operations under the provisions of existing statutes.

In spite of their questionable statutory authority, the agencies supported PIC because they customarily had done so.

Agencies Lack Authority on Appropriate Roles

Federal agencies rely on various statutes and custom and tradition for their authority to support inaugural activities. During recent inaugurals some agencies, primarily those with broad support roles, have acknowledged in internal reports and by endorsing legislation the lack of legal authority to provide certain types of inaugural support. Furthermore, in 1985, PIC administrative officials recognized the need for a clearer definition of the support available from federal agencies in order to remove the problem of differing expectations of the agencies and PIC.

In our 1983 Comptroller General decision, we concluded that statutory authority questions confronted DOD's 1981 inaugural support activities. We recommended that Congress review DOD's authority to support inaugural events and either authorize or prohibit current practices.

DOD Has the Most Serious Problems

In our opinion, DOD, as the federal agency supplying the most comprehensive support, has the most serious problem with the lack of explicit statutory authority clearly defining the permissible scope of DOD support for inaugurations. Since at least the 1977 inauguration, successive AFICs have acknowledged that provisions of the 1956 Presidential Inaugural Ceremonies Act do not give DOD the legal authority to provide all the support requested by successive PICs, yet actually provided by DOD through the AFICs.

1977 - Legal Questions Arise

The after action report of the 1977 AFIC, in discussing the support provided to both PIC and JCCIC, told of the lengthy reviews, frequent discussions, and major disruptions incident to the questionable legality of all

support traditionally provided under but not specifically defined in 10 U.S.C. 2543.

Anticipating PIC support requirements, in mid-October 1976, AFIC requested the opinion of the Military District of Washington Staff Judge Advocate regarding the legality of AFIC's furnishing transportation support to members of PIC during the period of time from PIC's formation until vehicles would be available from various automobile manufacturers, about two weeks. The Staff Judge Advocate's response stated that AFIC's support of the non-government, non-DOD, non-profit, privately organized PIC was not authorized under applicable statutes.

However, after the November 1976 elections, when the PIC was organized, it decided not to accept vehicles from the manufacturers. Instead, PIC asked AFIC to provide its transportation support. PIC's change of plans created a legal problem for AFIC since the Staff Judge Advocate had informed AFIC that the authority contained in 10 U.S.C. 2543 did not extend to or include providing transportation or military vehicles to PIC. Furthermore, AFIC was informed that 10 U.S.C. 2543 was a statutory limitation on the use of funds under 31 U.S.C. 1341, the "Anti-Deficiency Act," and that use of funds to provide transportation support would constitute a violation of 31 U.S.C. 1341.

The legal impasse was resolved in mid-January 1977 when PIC requested assistance from the Chairman, JCCIC, in obtaining AFIC transportation. The Chairman in turn asked DOD to provide transportation for dignitaries. DOD agreed to provide the requested transportation using provisions of the Economy Act as its authority on the basis of JCCIC's indication that such support was in the national interest, not commercially available, and reimbursable. In fact, however, DOD was not reimbursed.

Although DOD concluded that providing transportation under the Economy Act raised the question of whether AFIC could legally provide transportation for events in which JCCIC had no interest or requirement, this approach was more plausibly justified than providing such support under the limited provisions of 10 U.S.C. 2543. The after action report contained the following recommendation to preclude the situation in the future.

"[I]t is strongly recommended that DOD immediately initiate action to propose appropriate legislation to clarify the language and intent of 10 U.S.C. 2543. The revised statute should not define what specific support is authorized but rather

restrict the military support to that which does not exceed the bounds of propriety and budgetary constraints."

The AFIC after action report's recommendation was contained in legislation introduced in June 1980, S. 2839, 96th Congress, which the Congress did not act upon.

1981 - Problems Continue

As predicted in the 1977 AFIC after action report, the 1981 AFIC again encountered problems with the authority in 10 U.S.C. 2543 when responding to PIC's requests for support. In its 1981 after action report, AFIC recommended that future AFICs define early the kinds of military support that may be provided to PIC.

1985 - The Legal Problems Remain Unresolved

Support of President Reagan's second inauguration was tempered by DOD's continued concern about the legal appropriateness of the military's traditional role in light of events since the 1981 inaugural including:

- Senator Proxmire's interest in the appropriateness of DOD's 1981 inaugural support;
- our 1983 report to Senator Proxmire, which concluded that much of DOD's 1981 support exceeded the authority contained in the 1956 Presidential Inaugural Ceremonies Act;
- the failure, with the adjournment of the 98th Congress, of the most recent attempt to achieve a legislative remedy of the longstanding need for inaugural support authority;
- the recognition by DOD and the White House that some legal basis was needed for continued inaugural support; and
- Senator Proxmire's renewed interest in the DOD support being planned for the 1985 inaugural.

The 1981 inquiry of Senator Proxmire and our 1983 report were discussed in chapter 2. As discussed below, other events since 1981 reflect DOD's attempts to clarify its authority.

In recent years, attempts to achieve a legislative solution to DOD's problems have failed to pass Congress. In June 1980, the Chairman of the 1977 JCCIC introduced S. 2839, 96th Congress. The bill would have expanded 10 U.S.C. 2543 by providing specific authority for DOD to provide a wide range of inaugural support. More recently, in March 1984, S. 2473, 98th Congress, was introduced, which would have given the Secretary of Defense the authority to provide any support that he deemed

necessary to respond to requests of PIC and JCCIC and thereby to continue DOD's traditional inaugural support role.

In planning for the 1985 inaugural, White House and DOD officials recognized that some guidance was needed regarding the traditional military support. After initially considering an executive order, White House and DOD officials settled on publishing guidelines setting forth what they deemed to constitute appropriate DOD support.

On January 17, 1985, DOD's General Counsel approved the "DOD General Counsel Inaugural Support Guidelines." The guidelines resulted from the coordinated efforts of the Counsel to the President, the DOD General Counsel, and the Department of the Army General Counsel. The draft guidelines restrained DOD/AFIC inaugural planning. However, their overall effectiveness was summarized as follows in AFIC's 1985 after action report.

"While extremely helpful, these guidelines would have achieved optimal effectiveness and alleviated many concerns had they been published before the AFIC began extensive preparation to support the PIC and JCCIC."

Lastly, Senator Proxmire's interest in DOD's 1985 inaugural planning also focused attention on the propriety of traditional military support of PIC's activities.

Overall, AFIC summarized the choice that DOD/AFIC faced in planning for the 1985 inaugural as either:

- ceasing to plan for and denying any support beyond that provided for by the 1956 Presidential Inaugural Ceremonies Act or
- continuing to plan support on the basis of (1) the March 1, 1984, tasking memorandum from the Assistant Secretary of Defense (Public Affairs);[1] (2) the Military District of Washington's ceremonial charter;[2] (3) the tradition of military inaugural support; and (4) the unofficial drafts of the DOD General Counsel Inaugural Support Guidelines.

Ultimately DOD/AFIC chose to continue planning traditional support with the level of such support restrained by the questions of legal authority

[1]The March 1, 1984, memorandum established AFIC, appointed the Commander, Military District of Washington, chairman, and directed interservice support of AFIC.

[2]The Department of the Army, through the Military District of Washington, is DOD's ceremonial coordinator for the national capital area.

and by the involvement of high-level DOD officials in key support decisions. Examples of senior DOD involvement include the following instances.

- DOD directed AFIC to reduce the overall number of aides, not to provide aides to gala entertainers, and to hold down the number of coordinators used as social aides. The final number of aides and their assignments were approved at the DOD level. Comparing the 1981 and 1985 inaugurals, the number of aides decreased from 167 to 79, respectively; the number of gala entertainer aides/escorts from 44 to 1; and the total number of military functioning as aides/coordinators from 491 to 376.
- On December 14, 1984, AFIC received a PIC request for the use of 80 new military jeeps to carry state and territorial seals in the inaugural parade. AFIC referred the request through the Department of the Army to the Assistant Secretary of Defense (Public Affairs) for consideration and resolution. At issue was AFIC's legal authority to provide the support that PIC requested. The legal authority for the support was not clear because comparison of our 1983 report and the draft DOD General Counsel Guidelines resulted in confusion, as documented in the Department of the Army's memorandum to the Assistant Secretary of Defense (Public Affairs).

> "Use of military vehicles to pull non-military floats is questionable according to Comptroller General Decision No. B-202278 (OSD Case 6286). However, a draft memorandum which delineates DOD guidelines for authorized parade support indicates that military drivers may be provided for parade floats. It does not specifically address providing jeeps."

The Secretary of Defense approved the use of the jeeps. Had the inaugural parade been held, the jeeps would have been used.

The longstanding problems associated with the lack of clear statutory authority were encountered by the 1985 AFIC. For example, some of the after action reports prepared by the military personnel assigned to special events, such as receptions, concerts, galas, and balls, reflect the impact of the lack of a clearly defined AFIC role on the expectations of event organizers for military support. Examples of problems that occurred at some, but not all, events include:

- the use of military units for crowd control and erection of temporary seating at a reception;
- the use of military personnel as ticket takers; and

- the use of military personnel and their wives to set up tables, stuff party favors, take tickets, and function as security guards; however, the military personnel assigned to one ball refused to distribute champagne when requested by the on-site event coordinator.

There are other examples of, in our opinion, questionable AFIC support of PIC due to the lack of clear authority. For example,

- AFIC staff surveyed and prepared presentations, during 1984, for PIC on potential special events sites in the Washington, D.C., area and
- AFIC staff operated PIC computer systems for ticket and invitation control, commemorative license plate registration, volunteer tracking, transportation coordination, and VIP housing.

For AFIC in 1985, PIC's status remained a problem. If AFIC accepted GAO's 1983 legal opinion that PIC was a private entity, AFIC had no legal authority to provide any assistance to PIC, save for its limited authority under 10 U.S.C. 2543, whether on a reimbursable or nonreimbursable basis.[3]

According to a senior AFIC official, AFIC elected to recognize PIC as a public entity for purposes of performing tasks for it and seeking reimbursements. The official claimed that PIC could be viewed either as a private organization because it raises its own funds or as a public entity because senior PIC officials report directly to the White House, giving PIC requests substantial clout within federal agencies. The official stated that without legislative clarification continued confusion at future inaugurations is likely.

AFIC's Conclusion on the Need for Statutory Authority

The legal authority problems encountered by successive AFICs since 1977 and DOD's remedy are synopsized in AFIC's 1985 after action report:

"Questions concerning DOD's inaugural role will continue as long as America's national celebration of democracy is conducted without clear regulatory or statutory guidance concerning this role."

GSA Has Also Reported Problems

During recent inaugurations, including the 1985 inauguration, GSA encountered problems related to the lack of clarity with respect to what PIC could expect from GSA in support of inaugural activities. By law, 40

[3]See note 1, chapter 2.

U.S.C. 490(a)(15), GSA is authorized to render very specific direct assistance to PIC.

The GSA and PIC after action reports both discussed the differences in opinion that existed over the level of GSA services to be provided PIC. PIC operating officials reflected the problems, particularly involving outfitting PIC's headquarters facility, in their after action report. For example, PIC was of the opinion that "From the beginning, GSA attempted to minimize its outlays and support for the Inaugural Committee." In discussing space renovations, PIC's after action report stated:

"Furthermore, in order to make the headquarters building habitable, extensive cleaning, painting and carpeting had to be completed. This work took two weeks, during which time the PIC staff would work in whatever space was completed or available. GSA had undertaken little work on its own prior to the 1985 PIC staff arrival."

"GSA had installed approximately 400 single line telephones in the building. Each telephone was a stand alone unit, with no hold or rollover to the next number capability. It was necessary to design a system using the existing lines in the building. This work took 3 weeks and cost $170,800.00."

"As a result of the time to complete this work, we were well into December 1984 before we had a functional headquarters without having to oversee basic changes and improvements."

In contrast, GSA, in its after action report, recognized that problems were encountered due in part to GSA's having to make many assumptions about ultimate PIC requirements before the presidential election, the on-site presence of AFIC, and the ultimate decision, by PIC officials, to locate all operations in the larger of the two buildings provided by GSA, with AFIC moving to the smaller building. AFIC had already occupied the large building when PIC was organized following the election. Accordingly, the PIC decision resulted in a major space reconfiguration and revamping of the entire telephone system.

GSA's report also pointed to a coordination problem between PIC and itself. The report states:

"During the PIC start up, GSA often had no formal access to the Presidential Inaugural Committee. Requests for services were not systematically funneled through the office of GSA's on-site coordinator. This made the GSA support effort more difficult. Several times GSA was tasked to meet conflicting or competing requirements."

As was the case after the 1981 inaugural, GSA recommended, in its after action report, that legislative authority be overhauled to clarify what support AFIC and PIC can expect of GSA.

Agencies Provided Inaugural Support Without Reimbursement

During recent inaugurals, federal agencies shared staff and physical assets in support of the private, non-governmental PIC.[4] The issue of reimbursement for such shared support represented a legal problem that various agencies handled differently.

Basis of Reimbursement Problem

Under the provisions of 31 U.S.C. 1535, the Economy Act, federal agencies and, for the inaugural, federal agencies and JCCIC, are authorized to supply materials, supplies, and services to one another on a reimbursable basis. Some guidance on reimbursements is also provided by legislation such as Public Law 94-524, the Presidential Protection Assistance Act of 1976. Section 6 of this act establishes the reimbursement policy for federal agency support of Secret Service presidential protection.

The provisions of the Presidential Inaugural Ceremonies Act do not change the general statutory reimbursement requirements. Moreover, the act provides that the PIC must indemnify the government for loss or damage. In addition, the Federal Property and Administrative Services Act, although authorizing GSA to provide services to the PIC, does not address the issue of reimbursement.

Consequently, even if the private PIC were legally entitled to the benefits of federal agency assistance as if it were also a federal agency, PIC would have to satisfy the appropriate reimbursement provisions. Yet the traditional practice has not followed the law. The practice has developed, with the knowledge of Congress, of federal agencies frequently performing services for PIC without necessary compliance with the statutory requirements on reimbursement. In fact, a variety of reimbursement practices have prevailed.

[4]See note 1, chapter 2.

Past Problems With Reimbursements

The problems associated with reimbursement for federal agency support of PIC also occurred during inaugurals before 1985. For example, during the 1977 inaugural, AFIC refused a PIC request for transportation services on advice of legal counsel that such services were not authorized under applicable statutes and that provision of such services would constitute a violation of the Anti-Deficiency Act. The legal question was circumvented by PIC's requesting the services through JCCIC. Even though AFIC believed that the services may have benefited PIC more than they benefited JCCIC, on the basis of JCCIC's request and allegedly under the Economy Act, AFIC provided the services to PIC through the JCCIC. However, according to AFIC's after action report, JCCIC never reimbursed AFIC for the services; nor did AFIC anticipate reimbursement although it was required by the Economy Act.

Reimbursement - Problems Remained in 1985

Federal support of the 1985 inaugural resulted in taxpayer support of PIC's operations. The level of taxpayer support, which varied between agencies, reflected the lack of clear legislative guidance for obtaining payment from PIC in the face of the traditional practice. The following are not intended to single out any or all specific categories of cost that should be subject to reimbursement but rather to highlight the need for more definitive guidance from the Congress as to what support should be provided PIC at no cost to the taxpayer versus what support should be paid for by the taxpayer, if any.

Smithsonian Institution

The Smithsonian Institution did not incur any unreimbursed costs for PIC's use of the National Air and Space Museum for an inaugural ball and PIC's use of the National Zoo parking lots for guests attending other balls. The Smithsonian requested and received advance payment from PIC for its estimated costs. In February 1985, when actual costs were known, the Smithsonian refunded the difference between the estimated and actual costs to PIC.

General Services Administration

In contrast to the Smithsonian, GSA was not reimbursed for all costs associated with PIC activities. GSA incurred $1,423,300 in support of PIC's 1985 inaugural activities. GSA received reimbursement of only $396,100 from PIC, leaving unreimbursed, PIC-related expenses of $1,027,200.

Table 3.1 shows amounts reimbursed by PIC.

Table 3.1: Reimbursed GSA Expenses

Office supplies	$28,000
Protective services	76,300
Xerox	73,000
Telephone	218,800
Total	**$396,100**

While GSA was authorized, by law, to provide the services, guidance was absent regarding which services were to be provided at no cost to PIC versus which were to be paid for by PIC. GSA's 1985 after action report, recognizing the reimbursement problem, recommended a legislative clarification. Examples of services where payment was, in our opinion, in question, included the following instances.

- At the request of PIC, GSA negotiated an agreement with the National Park Service for the use of NPS building T-4 as inaugural headquarters. The agreement required payment from GSA to the National Park Service of $2,105.56 per month. Subsequently, the Park Service prepared a bill for $5,755.30, representing 2 months and 22 days rent for the building but as of July 1985 had not submitted the bill to GSA. GSA inaugural officials informed us that, when billed by the Park Service, they will remit the rent, but they did not intend to bill PIC for reimbursement.
- To prepare space satisfactory to PIC's requirements, GSA renovated space in building T-4 at a cost of $403,900. No reimbursement was requested from PIC.
- During the inaugural planning, GSA detailed 20 federal employees to PIC for periods of from 1 to 10 months each. None of the employees' total salaries of $150,600 was reimbursed, and, according to GSA officials, there are no plans to seek reimbursement.

While GSA provided substantial support to the private PIC, such support was within the limits of its statutory authority. However, both in 1981 and 1985, GSA inaugural officials recognized the inadequacy of that authority insofar as reimbursement was concerned. While 40 U.S.C. 490(a)(15) enumerates the specific services to be provided and includes general authority to "provide other incidental services in the discretion of the Administrator," it is silent regarding reimbursement.

In an attempt to address the reimbursement problem, GSA inaugural officials, in their 1985 inaugural after action report, recommended that GSA pursue a legislative solution "so that what is to be provided at no cost,

and what is to be provided on a reimbursable basis is clearly defined." GAO is unaware of such legislation having been introduced.

AFIC Reimbursement Practices

In 1985, AFIC incurred about $10 million in inaugural expense in support of PIC. In total, as table 3.2 shows, AFIC billed PIC and received reimbursement for about $15,700.

Table 3.2: PIC Reimbursements to AFIC

Portajohns	$6,972
Fence Posts	340
Dumpsters	315
Speakers	1,600
Scaffolding	152
Bullhorns	1,360
Power Cable	555
Box Lunches	1,260
White Gloves	2,219
Aid Station	70
Vehicle Passes	510
Vehicle Lease	343
Total	**$15,696**

In addition, PIC reimbursed Fort Belvoir, Virginia, about $27,500 for band and entertainment company expenses and Bolling Air Force Base, Washington, D.C., $3,600 for box lunches. Total PIC reimbursement to DOD amounted to about $46,800.

In total, AFIC did not receive reimbursement for many services provided solely to benefit PIC activities. We selected the following as examples of unreimbursed AFIC services:

- AFIC provided 1,078 personnel to support official PIC events, such as galas, balls, and pageants (see app. VII).
- AFIC provided 43 transportation/operations assistants for coordinating the movement of large entertainment groups, bands, and gala entertainers to and from performance sites.
- AFIC provided personnel support for PIC's ticket "will call" operations from January 10 through January 21.
- AFIC constructed a mail loading ramp for PIC.
- AFIC assigned 11 liaison officers to PIC officials. With the exception of the aide to the PIC Chairman and the public liaison officer, the AFIC liaison

officers did not function as liaison officers; rather, the PIC used the officers to accomplish PIC tasks.

- Before PIC's formation in November 1984, AFIC staff surveyed and prepared presentations for PIC officials on potential special event sites in the Washington, D.C., area.
- Reacting to a request from PIC, AFIC's information and analysis office provided computer programming and system analysis assistance for ticket and invitation control, commemorative license plate registration, volunteer tracking, transportation coordination and VIP housing. The programming and system management work was performed for the benefit of PIC events. In December 1984, an AFIC official informed the AFIC Chief of Staff that two AFIC officers were operating a system which should have been operated by PIC staff and technical contractors.
- During the 1985 inaugural, PIC and AFIC implemented joint use agreements for a reproduction facility and a motorpool, which clearly excluded reimbursement because of the anticipated mutual benefits. In our opinion, the motorpool mutual benefits, that is, costs incurred versus costs forgone, appeared weighted in the PIC's favor. Under the PIC/AFIC agreement, PIC would provide the vehicles (donated to PIC), fuel (donated to PIC), maintenance (donated to PIC), and insurance (about $67,000 paid by PIC) in return for AFIC staffing and operating the motorpool. While we did not perform an indepth cost analysis of the motorpool operation because of the time constraints involved with AFIC's termination and the problems with access to PIC's records, we believe that, in view of the level of donated services, PIC incurred little expense for the motorpool operation compared to the benefits received from the military-funded support. Thus, we believe that the PIC/AFIC joint use agreement, for the motorpool, may not have resulted in an equitable division of cost.

Conclusion

In 1983, we concluded that a significant amount of the support provided by DOD for 1981 inaugural activities was without proper legal authority. During the 1985 inaugural, a significant amount of DOD's support was again provided without proper legal authority.

We believe that the legal propriety of federal support of essentially a private organization (PIC) involved in organizing and executing a series of events that were not clearly defined as official federal government functions goes beyond being a problem for DOD or any single federal agency. Absent specific statutory authority, the use of appropriated

funds in support of PIC operations and events is inconsistent with current appropriation law and the 1983 Comptroller General decision. Furthermore, we believe that the varied agency practices concerning reimbursement of taxpayer-funded support of PIC activities constitute another clear indication that federal agencies need legislative guidance.

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Congress Should Address Inaugural Legislative Deficiencies Before the 1989 Inauguration

In our 1983 decision on DOD's participation in the 1981 inaugural, we concluded that much of the support provided by DOD for inaugural activities was without proper legal authority. In our decision, we recommended that Congress undertake a review of the Presidential Inaugural Ceremonies Act to either amend its provisions to conform to existing practices or prohibit practices not conforming to the statute. To date, Congress has not acted to implement our recommendation.

Our review of 1985 inaugural activities confirmed our 1983 recommendations that Congress, along with appropriate federal, state, and District of Columbia agencies and the political parties, should undertake a review of the adequacy of existing inaugural legislation and consider enacting legislation to rectify the recurring authority and funding questions incurred quadrennially by federal agencies. We are willing and ready to work with Congress in reviewing current legislation and devising a legislative solution to the problems identified by the participating agencies and in this report.

Recommendation

We recommend that Congress enact legislation to establish clearly:

- The extent to which inaugural functions and activities are to be publicly financed either through specific appropriations or through assistance provided by departments and agencies, and
- That the disbursement of public funds or the furnishing of assistance over and above the extent authorized shall constitute a violation of the Anti-Deficiency Act in the amount of such over disbursement or of the full cost of assistance provided, unless prompt reimbursement is made by the political party of the newly elected President or from other private funds.

Details of Issues to Be Addressed in Recommended Legislation

The Inaugural Events Should Be Defined as Either Public or Private Ceremonies

Under current law and the Constitution, only the swearing-in is a legally required official ceremony.

In the nearly 200 years of presidential inaugurations, numerous adjunct inaugural events have developed celebrating the official swearing-in of the President. No clear legislative policy now defines the status of these events, whether federal agencies may assist in their planning and execution, and whether taxpayer monies may be used to fund them in whole or in part. Custom and current practice associated with these events are not in accord with existing law, but these practices have occurred with the knowledge of members of Congress. The critical policy question requiring resolution is whether the inaugural events, exclusive of the swearing-in, should be official federal government ceremonies, purely private celebrations of the President and his supporters, or some combination of both. In our opinion, Congress needs to resolve the basic issue of the status of the inaugural events by enacting legislation establishing the adjunct inaugural events as official government ceremonies either in total, in part, or not at all.

The Legal Status of PIC Should Be Clarified

Current law, including the 1956 Presidential Inaugural Ceremonies Act (the 1956 act), does not designate the PIC to be a public entity.[1] Rather, the 1956 act defines PIC as "the committee in charge of the Presidential inaugural ceremony and functions and activities connected therewith, to be appointed by the President-elect."

During the 1985 inaugural, PIC was a non-profit corporation established under the laws of the District of Columbia. However, its principal officers and employees were also key officials within the White House, coloring PIC's requests with substantial political and governmental suasion. Furthermore, the detailing of federal employees to PIC gave the organization the appearance of a public entity. Thus, in 1985, PIC was a privately incorporated organization staffed in part with federal officials

[1]See note 1, chapter 2.

functioning outside of their official capacities. However, the mere fact that public officials simultaneously hold positions in another organization does not render that organization a public entity. Nevertheless, AFIC and GSA were uncertain whether the PIC should be considered a private or public entity.

While we recognize that inaugural activities are unique, we also note that current law does not provide special exceptions for agency assistance to PIC. We believe that without a specific statutory clarification of PIC's status, federal agency support for PIC was improper under the basic tenets that (1) federal agencies cannot make use of appropriated funds to supply services to private parties and (2) the performance of services by federal personnel for non-federal or private agencies would involve an improper use of appropriated funds even where the federal government was compensated or reimbursed in kind. Therefore, we believe that if agency assistance would be unlawful and improper generally, it likewise would be unlawful and improper for the inaugural events.

We addressed this issue in our 1983 decision. In our opinion, the legal basis for federal support of PIC has never been satisfactorily justified.

JCCIC: Is There a Potential for a Larger Role?

Since its establishment early in this century, each quadrennial JCCIC has had responsibility for inaugural activities at the Capitol building and other property under the jurisdiction of Congress.

While historically JCCIC's role had been limited to Capitol Hill activities, we believe that any comprehensive review of inaugural activities should consider whether JCCIC's role should be expanded to include non-Capitol Hill activities, sponsoring events in conjunction with PIC, or operating as part of a single inaugural committee structure. However, such consideration must balance the separation of powers issue with the efficiency improvements and streamlined overall inaugural management structure a single inaugural committee structure might achieve.

Inaugural Funding: Should Taxpayer Funds Be Used?

We believe that the primary monetary questions surrounding inaugural activities are the use of taxpayer funds to pay for PIC's activities and PIC reimbursement for federal agency support. In our opinion, some of the current expenditures are without proper legal authority.

In 1985, inaugural costs were paid from the combination of PIC's privately generated funds and taxpayer funds appropriated to various federal agencies and the District of Columbia government. Under the 1956 act and current fiscal and appropriation laws, we question the propriety of the expenditure of taxpayer funds in support of PIC, except in those instances covered by specific statutory authority. Our concerns are again, as with the legal status of PIC issue, founded on the principles that (1) federal agencies cannot use appropriated funds to supply services to private organizations and (2) government personnel cannot perform services for non-federal or private organizations even where the government receives compensation or reimbursement in kind.

In our opinion, the appropriateness of taxpayer funding of inaugural events on a basis other than the application of these principles should be determined legislatively. The options include full federal funding, full private funding, or a continuation of combined public and private funding under clear guidance. We believe that the selection of an option may be self-evident once it has been determined whether the inaugural events should be in total or only in part official federal ceremonies and whether PIC should be a public or private body.

Parallel with the resolution of the propriety of the expenditure of taxpayer funds issue should be resolution of the question of reimbursement of federal appropriations for expenditures in support of PIC. We recognize that the determination of the source of funding and the PIC's status could predetermine whether reimbursement requires clarification. In our opinion, clarification will be necessary under the combined private and public funding option. As shown by the current practices, clarification would be particularly critical if, under that option, PIC were defined as a private party.

We believe that Congress should address the need for specific statutory authority to either spend taxpayer funds in support of inaugural events or provide the federal agencies guidance on how to appropriately determine which events to exclude from support. Such guidance could be based on whether event invitations were required, tickets were sold, presidential attendance was planned, or other criteria.

What Type of Non-Financial Federal Support Is Appropriate

During recent inaugurals, it has been the type of support provided by federal agencies that has been the subject of controversy. In our April 1983 decision, we stated that in any context besides the presidential

inaugural there would be little doubt about the impropriety of using taxpayer funds to provide personal aides, social aides, and drivers for private individuals, military jeeps to pull floats provided by non-military organizations, and administrative and logistical support to PIC offices.

While we agree that the application of the usual laws and regulations may not seem appropriate for inaugural activities, current law does not make any special exceptions for agency assistance other than as specified in the 1956 act and some agency specific statutes. Therefore, in our opinion, Congress should enact authority either spelling out the specific types of appropriate federal inaugural support or providing blanket authority.

Pre-Election Activities: Whose Responsibility?

The planning for an inauguration begins early in each presidential election year. Since PIC cannot assume a role until after the November election, all of the early planning has been undertaken by federal agencies and the District of Columbia.

During the pre-PIC, pre-election period, taxpayer funds are expended to begin planning some inaugural events, such as the inaugural balls, that will subsequently be open only by PIC invitation and ticket. Since some of these events are basically private parties not generally open to the public with proceeds going to the private PIC, the use of any appropriated funds, in the absence of specific statutory authority, is improper other than to cover the costs of official government activities such as protection of the President.

We believe that Congress should provide either specific statutory authority to expend appropriated funds for pre-election inaugural planning, preclude their use in total, or specifically designate what planning can be conducted with federal funds.

Audit Access to PIC Records

During the audit of the 1985 inaugural, questions were raised concerning our right of access to PIC records. The 1985 PIC was a non-profit corporation established under the laws of the District of Columbia. GAO had no statutory or contractual right of access to PIC records. To the extent that we obtained access to PIC records, it was a result of a combination of our persistence and PIC's voluntary action on our requests. This process resulted in significant delays and prevented an audit of

federal support rendered PIC. We believe that absent legislative clarification future audit requests involving PIC activities are likely to encounter similar problems.

If Congress anticipates future GAO oversight of PIC's activities, provision must be made for unrestricted access to at least PIC's records of federally funded activities.

Agency Comments and Our Evaluation

GAO provided copies of a draft of this report to the Executive Office of the President, DOD, GSA, the Departments of the Interior (for the National Park Service and the Park Police) and the Treasury (Secret Service), the Smithsonian Institution, and the District of Columbia for their review and comment. The comments received are included as appendixes XV to XXI.

While the National Park Service and GSA had no comments on the text of the report, they concurred with and supported GAO's recommendation. The Smithsonian Institution and the District of Columbia offered no comments on the text of the report or the recommendation.

The Executive Office of the President, while not commenting on the text of the report, said that any proposed legislation should be flexible enough to account for both the time constraints of the inaugural undertaking and the uniqueness of the event.

The Department of the Treasury, responding for the Secret Service, said that it had no major criticisms of or objections to the report. The Department did point out, however, that the reported use of military units for crowd control was not requested by, nor was it in support of, the Secret Service (see p. 26). We found no evidence that the use of the units involved a Secret Service request for support of its needs.

DOD concurred with the report's findings and recommendation except for our interpretation of 36 U.S.C. 721(b)(2). DOD said that it interpreted section 721(b)(2) as establishing the PIC as a government entity for the purpose of the Economy Act. Further, DOD said that it disagreed that a significant amount of its support of PIC was without sufficient basis because custom and tradition had provided a significant historical basis for this type of support.

In this report, as in our 1983 decision on DOD's 1981 inaugural activities, we concluded that section 721(b)(2) provided for a private, non-governmental PIC. We believe that no legal basis currently exists for revising our interpretation.

Moreover, in our opinion, PIC's actions were inconsistent with being a government entity. For example, if PIC were a government agency, it would have to deposit all of its receipts, including private donations, into the federal Treasury, and those receipts could not be used by PIC without an appropriation by Congress. See 31 U.S.C. § 3302(b). The PIC did not deposit its privately generated funds into the federal Treasury.

In addition, we did not obtain full and timely access to PIC's records, because of the delays encountered in negotiating agreement with PIC officials for voluntary submission of PIC records for GAO audit. Had the PIC been a public entity, rather than a private, non-profit corporation, an agreement for the voluntary submission of PIC records would not have been necessary.

Accordingly, while GAO's position has consistently been that PIC is a private, non-governmental entity, we believe that Congress should clarify PIC's legal status and the authority of federal agencies to provide it services, whether on a reimbursable or non-reimbursable basis.

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Letter From Senator William Proxmire

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United States Senate

COMMITTEE ON APPROPRIATIONS
WASHINGTON, D.C. 20510

January 10, 1985

Honorable Charles A. Bowsher
Comptroller General of the United States
United States General Accounting Office
Washington, D. C.

Dear Mr. Bowsher:

In the aftermath of the 1981 Inaugural, the GAO provided me with a review of Inaugural activities from the standpoint of using military personnel for unauthorized purposes.

Now that the preparations for the 1985 inaugural are underway, I am writing to request that the GAO conduct a thorough audit of all federal expenditures related to 1985 inaugural activities. In particular I would be interested in having an audit of the following:

- military manpower utilized by category of employment such as coordinators, military aides, military escorts, ushers, drivers.
- military personnel used for ceremonial purposes.
- a breakdown of the ranks of the individuals involved, and an estimate of the manhours expended.
- an estimate of the direct manpower costs associated with the use of military personnel in each of the categories above.
- an audit of the use of military photographers, the number and type of photographs, video or motion pictures taken. An explanation of how and where film and pictures were processed, the costs involved including any overtime charges, and a breakdown of the final disposition of all such photographic products.
- numbers of personnel committed by the Executive Branch to the Armed Forces Inaugural Committee itself including back up personnel at the Pentagon or in the budget office.

- a listing of all VIP guestsprovided military aide or escort services or any other service requiring the appropriation of federal funds.
- copies of all after action reports.
- an accounting of all federal vehicles used during the Inaugural or fuel used by privately donated vehicles. An estimate of costs relating to vehicle use.
- an inquiry into the sale of Inaugural commemorative items including the detailing from government agencies of federal employees to carry out this function, the total receipt of funds, and the total costs to the government of all such activities.
- copies of all legal opinions written to justify or question participation of federal employees or military personnel in Inaugural activities.
- the total amount of appropriations spent by the District of Columbia, the GSA or any other government agency along with a description of the activity supported.
- any aircraft or surface transportation provided to VIPs or other Inaugural guests by the Armed Forces aside from local sedans.
- an indication of the source of appropriated funds in each case of an expenditure by major entity.
- an assessment of possible violations of the Anti-Deficiency Act in any of the above cited activities.
- an overall dollar total representing all expenditures supported by the taxpayers.

Sincerely,

William Proxmire, U. S. S.

Schedule of 1985 Inaugural Events

Legend

Official:	• denotes events ticketed and sponsored by the 50th American Presidential Inaugural Committee.
Sanctioned:	• denotes events officially recognized but not sponsored by the 50th American Presidential Inaugural Committee.
Acknowledged:	• denotes events not sanctioned by the 50th American Presidential Inaugural Committee but in some way related to the inaugural festivities.

January 18, 1985

Official:	The Prelude Pageant to the 50th American Presidential Inaugural (Presidential and Vice-Presidential appearances and fireworks; metal detectors used; held at the Ellipse) — free.
	Salute to the Vice President, The American Showcase Gala (metal detectors used; held at the Washington Convention Center) — invitation only.
Sanctioned:	Candlelight Reception and Dinner Dance (held by the Republican Governors Association at the Washington Hilton) — invitation only.
Acknowledged:	Republican National Committee Luncheon (J. W. Marriott Hotel) — invitation only.
	Cocktail Buffet (sponsored by the Teamsters in honor of the President and Vice President; held at the Hyatt Capitol Hill) — invitation only.
	Agriculture Pre-Gala Reception (Decatur House) — invitation only.
	New Jersey State Society Reception (Reserve Officers Association Headquarters) — open to the public.

Black 50th American Presidential Inaugural Advisory Committee Celebrity Leadership Reception (Mayflower) — invitation only.

Medal of Honor Recipients Reception (Sheraton National) — invitation only.

"The Soldier Show" (dance and music performed by soldiers from around the world; held at the National Theatre) — free.

January 19, 1985

Official:

Leadership Forum for Young Americans (metal detectors used; held at DAR Constitution Hall) — invitation only.

The 50th American Presidential Inaugural Gala (metal detectors used; held at the Washington Convention Center) — invitation only.

Concert for Young Americans (D.C. Starplex Armory) — invitation only.

Sanctioned:

Salute to Older Americans (Library of Congress, the Great Hall) — invitation only.

Access to Opportunity (salute to Disabled Americans; held at the Health and Human Services Department, Great Hall) — invitation only.

Hispanic Inaugural Ball (hosted by the Hispanic Advisory Committee for the 50th American Presidential Inaugural; held at the J. W. Marriott Hotel) — invitation and open to the public.

In Celebration of Distinguished Women Brunch (Shoreham) — invitation only.

Acknowledged:

"The Soldier Show" (dance and music performed by soldiers from around the world; held at the National Theatre) — free.

Religious Presidential Inaugural Celebration (sponsored by the International Ministries of God's Love; held at DAR Constitution Hall) — tickets sold.

Indo Chinese-American Night (Rayburn House Office Building) — open to the public.

Medal of Honor Recipients Reception (hosted by the Veterans of Foreign Wars; held at the Washington Hilton) — invitation only.

Dinner for Medal of Honor Recipients (hosted by the Veterans of Foreign Wars; held at the Washington Hilton) — invitation only.

Illinois State Society Reception (National Press Club) — invitation and open to the public.

Nevada State Society Reception (Cannon House Office Building, Caucus Room) — tickets sold.

Indiana State Society Ball (Sheraton Washington) — invitation only.

West Virginia State Society Reception (Mayflower) — invitation and open to the public.

Golden Bears of the California Republican Party Cocktails and Lunch (Sheraton Grand) — invitation only.

Women's Reception (Shoreham, Regency Ballroom) — invitation only.

Teamsters sponsored Hospitality Suite (Sheraton Grand) — invitation only.

Continuing Majority of the U.S. Senate Reception honoring the Honorable Robert Dole, Majority Leader (sponsored by the Young Republicans National Federation; held at the Washington Hilton, Grand Ballroom) — tickets sold.

American Veterans Association Breakfast (for medal of honor recipients; held at the Sheraton National) — invitation only.

"The Soldier Show" (dance and music performed by soldiers from around the world; held at the National Theatre) — free.

Texas State Society Inaugural Ball (Washington Hilton) — tickets sold.

"The Soldier Show" (dance and music performed by soldiers from around the world; held at the National Theatre) — free.

National Black Republican Council Celebrity Gala and Breakfast (Shoreham) — tickets available.

January 20, 1985

Official:

The National Prayer Service (The Washington Cathedral) — invitation only.

Private Swearing-in of the President and the Vice President (White House) — invitation only.

National Pageant of Young Americans (Presidential and Vice-Presidential appearances and fireworks; scheduled to be held at the Jefferson Memorial) — invitation and open to the public. Event cancelled.

Sanctioned:

Asian American Inaugural Ball (sponsored by the Federation of Republican Asian Americans; held at Cannon House Office Building, Caucus Room) — open to the public.

Leadership Brunch for Young Americans (Marriott Crystal Gateway) — invitation only.

Black 50th American Presidential Inaugural Advisory Committee Honor Awards Luncheon (University of D.C., Recreation Center).

Salute to Volunteer America (Post Office Pavilion) — invitation only.

Acknowledged:

Athletes for Reagan-Bush Reception (sponsored by NEPAC; held at the Capitol Hilton) — invitation only.

Superbowl '85 for Young Americans (Marriott Crystal Gateway) — invitation only.

Black 50th American Presidential Inaugural Advisory Committee Superbowl '85 Party (Howard Inn) — invitation only.

A Private Brunch (hosted by Donald Kendall, Chairman of the Board, PepsiCo., Inc. for Diplomatic Corps; held at the Kennedy Center, Roof Garden) — invitation only.

Nebraska State Society Champagne Brunch (to honor Nebraska's Congressional Delegation; held at Hogates) — invitation and open to the public.

Teamsters sponsored Hospitality Suite (Sheraton Grand) — invitation only.

Medal of Honor Recipients Brunch (hosted by the Secretary of Defense and the Joint Chiefs of Staff; held at the Sheraton National) — invitation only.

The Guam Society of America Reception Brunch (Andrews Air Force Base Officers' Club) — open to the public.

Special Inaugural Worship Service (Shrine of the Immaculate Conception) — open to the public.

Florida State Republican Headquarters Breakfast (Washington Hilton) — invitation only.

Religious Presidential Inaugural Celebration (Sheraton, Crystal City) — tickets available.

Medal of Honor Recipients Super Bowl Party (Sheraton National; sponsored by the Disabled American Veterans) — invitation only.

Dinner Gala (Post Office Pavilion; hosted by the Conservative Alliance and NCPAC) — invitation only.

Deja Vu Party (hosted by the Young Republicans) — tickets.

January 21, 1985

Official:

The Inaugural Ceremony (held at the Capitol) — tickets available through congressional representatives.

50th American Presidential Inaugural Parade — open to the public. Event cancelled.

Inaugural Ball (Washington Convention Center, Hall A) — invitation only.

Inaugural Ball (Washington Convention Center, Hall B) — invitation only.

Inaugural Ball (Sheraton Washington) — invitation only.

Inaugural Ball (Shoreham) — invitation only.

Inaugural Ball (Washington Hilton) — invitation only.

Inaugural Ball (The Pension Building) — invitation only.

Inaugural Ball (The John F. Kennedy Center for the Performing Arts) — invitation only.

Inaugural Ball (National Air and Space Museum) — invitation only.

Inaugural Ball for Young Americans (D.C. Starplex Armory) — invitation only.

Sanctioned:

American Indian Inaugural Ball (Washington Plaza) — open to the public.

Veterans Inaugural Ball (hosted by the Veterans' Organizations; held at the Capitol Hilton) — invitation only.

National Governors Association Private Luncheon (for Governors and their families; held at the Hall of States) — invitation only.

National Society DAR Reception (DAR Memorial Continental Hall) — invitation only.

Acknowledged:

Breakfast for Secretary Block (Decatur House) — invitation only.

Tennessee State Society Breakfast (Sam Rayburn Building) — invitation only.

Medal of Honor Recipients Breakfast (hosted by Reserve Officers Association; Reserve Officers' Minute Man Building) — invitation only.

Alabama State Society Reception (Cannon House Office Building, Caucus Room) — open to members of Alabama State Society and visitors from Alabama.

Open House (sponsored by the Teamsters; held at 25 Louisiana Ave. N.W. 7th floor Annex) — invitation only.

Private Brunch for Diplomatic Corps (hosted by Ambassador Roosevelt; held at Blair House).

Arkansas State Society Wine and Cheese Party (Russell Senate Office Building) — invitation only.

Iowa State Society Reception (St. Peters Church) — invitation only.

Virginia State Society Reception (Prospect House) — invitation only.

Frederick County Young Republicans Inaugural Ball (American Legion Hall) — tickets sold.

North Carolina Tarheel Reception (Longworth House Office Building Cafeteria) — open to North Carolinians.

Kentucky State Society Reception (National Press Club) — invitation only.

USA Today Reception Honoring James Brady (J.W. Marriott Hotel) — invitation only.

"Salute to Heroes" (banquet for veterans and medal of honor recipients hosted by the American Legion; held at the Capitol Hilton) — invitation only.

American Coalition for Traditional Values Inauguration Banquet (Shoreham) — invitation only.

South Carolina State Society Inaugural Ball (Hotel Washington) — invitation only.

Agricultural Ball (L'Enfant Plaza Hotel) — invitation only.

Schedule of Federal Agency Expenditures

Agency	Expenditures	Reimbursements	Net Expenditures
DOD (AFIC)	$10,027,045.11	$52,468.22	$9,974,576.89
GSA	1,896,700.00	396,100.00	1,500,600.00
D.C. Gov't.	2,194,266.00	7,000.00	2,187,266.00
USSS	1,334,337.00	140,670.00	1,193,667.00
Interior	703,688.00	56,288.00	647,400.00
Smithsonian	24,895.89	24,895.89	-0-
FBI	8,829.70	-0-	8,829.70
Total	**$16,189,761.70**	**$677,422.11**	**$15,512,339.59**

Schedule of AFIC Expenditures by Object Class

Object Class	Expenditures	Reimbursements	Net Expenditures
Personnel	$8,443,311.88	-0-	$8,443,311.88
Contracts[a]	920,283.81	42,069.22	878,214.59
Supplies[a]	175,172.42	-0-	175,172.42
Leases[a]	173,023.00	10,399.00	162,624.00
Equipment[a]	21,760.00	-0-	21,760.00
Travel[a]	273,837.00	-0-	273,837.00
Printing[a]	19,657.00	-0-	19,657.00
Total	**$10,027,045.11**	**$52,468.22**	**$9,974,576.89**

[a]This data reflects the February 27, 1985, reconciliation and was obtained from AFIC's informal commitment ledger. Actual obligations may vary slightly.

1985 AFIC Personnel Cost

Category of Employment	Range of Ranks/ Grade	Total Staff	Estimated Staff Days	Estimated Costs
Staff Organizations:				
Personnel (J1)	E3–06/GS–5	25	4,431	$468,017.83
Security (J2)	E4–06/GS–4	20	3,001	413,085.58
Operations (J3)	E4–06/ GS–4,15	91	10,474	1,417,434.44
Logistics (J4)	E1–06	69	4,466	422,518.21
Military Aides & Protocol (J5)	E4–06/ GS–4,5,11	33	4,046	602,151.81
Communications (J6)	E3–06/GS–5	38	4,800	531,744.39
Office of the Director	E4–06/ GS–5,11	29	6,515	936,903.96
Headquarters Commandant	E4–04	5	1,140	116,029.19
Liaison	E5–06/GS–4	15	1,704	265,227.20
Information & Analysis	E2–05/GS–5	13	1,341	133,397.74
Public Affairs	E4–05/ GS–5,11	74	2,917	361,096.53
Legal	03–05	2	350	68,186.81
Medical Division:	E2–05	180	1,102	107,783.74
Parade Division:	E2–04	367	7,757	655,932.18
Drivers:	E1-E6	560	15,645	964,795.74
Ushers:	E1-E7	244	3,419	195,848.53
Transportation & Related Services:	E2–05	61	8,495	783,158.00
Totals:		**1826**	**81,603**	**$8,443,311.88**

Civilian AFIC Employees as of January 1985

Division	Grade (GS)	Start Date (MO/DA/YR)	Depart Date (MO/DA/YR)	Cost as of 27 JAN 85
J-1:	5	09/17/84	02/07/85	$5,080.80
J-2:	4	11/19/84	02/28/85	2,373.00
	4	12/10/84	02/28/85	1,682.80
	4	10/01/84	02/28/85	4,284.80
J-3:	15	08/01/84	02/28/85	18,958.00
	5	09/17/84	02/15/85	6,263.60
	4	11/13/84	01/25/85	2,872.80
	4	09/30/84	10/13/84	714.00
J-5:	4	10/01/84	02/08/85	4,062.80
	5	09/10/84	02/28/85	5,347.20
	11	09/10/84	02/10/85	10,460.00
	11	10/14/84	12/09/85	3,907.20
J-6:	5	09/24/84	01/25/85	4,814.40
Office of the Director:	11	10/29/84	02/28/85	6,392.00
	5	10/29/84	02/28/85	3,442.44
	5	09/17/84	02/28/85	5,080.80
Special Staff:	5	09/17/84	01/25/85	5,080.80
	4	10/15/84	01/11/85	2,927.40
	5	12/10/84	12/28/85	1,857.36
Legal:	4	09/09/84	10/11/84	833.00
Subtotal AFIC				**$96,435.40**
Other Commands:				
FORSCOM				13,400.00
USAF				700.00
TRADOC				8,211.02
Subtotal Other Commands				**$22,311.02**
Total				**$118,746.42**

Source: DOD Reconciliation of Support to the 1985 Presidential Inauguration, February 27, 1985

AFIC Support Costs for 1985 Inaugural Special Events

	Ceremonial Support			AFIC Support		
Event/Date/Location	**Personnel**	**No.**	**Cost**	**Personnel**	**No.**	**Cost**
Cultural Event	USA Brass Five	5	$25	Special Events POC	1	$16
January 18, 1985	USN Port Authority	7	$53			
National Air and Space Museum	USAF Airmen of Note	11	$82			
	USN Commodores	20	$150			
Prelude Pageant	USA Herald Trumpets	17	$255	Tent Detail	17	$595
January 18, 1985	MDW Ceremonies & Special Event Office	4	$100	Medical Teams	11	$385
The Ellipse	USA Band	70	$1,050	Special Events POC	4	$192
	USMC Drum & Bugle Corps	75	$1,225	Liaison Officer	1	$48
	State & Territorial Flags	56	$840			
	Joint Color Guard Teams	18	$270			
	USA Old Guard Fife & Drum Corps	16	$240			
	USA Chorus	31	$465			
	USA Chorale	15	$225			
Medal of Honor Recipients Reception				Military Escort	1	$16
January 18, 1985				Special Events POC	1	$16
Sheraton National				Invitees (AFIC Staff attending as guests)	7	$112
V.P. Gala	USCG Band	36	$540	Medical Teams	11	$308
January 18, 1985	USMC Drum & Bugle Corps	52	$520	Transportation Coordinators	5	$160
Washington Convention Center	USA Old Guard Fife & Drum Corps	26	$260	Military Coordinators	50	$1,600
	Joint Color Guard Teams	18	$180	Liaison Officer	1	$128
	USA Herald Trumpets	16	$160	Transportation Assistants	22	$704
	USNA Glee Club	120	$2,480			
	USN Country Current	7	$105			
	USMC Combo	6	$60			
	USCG Dixieland Ensemble	6	$90			

	Ceremonial Support			AFIC Support		
Event/Date/Location	Personnel	No.	Cost	Personnel	No.	Cost
American Veterans Association Breakfast	Joint Color Guard	8	$60	Military Escorts	3	$48
January 19, 1985	USCG Band	18	$135	Special Events POC	1	$16
Sheraton National						
Leadership Forum For Young Americans	USN Band	48	$144	Military Coordinators	5	$240
January 19, 1985	Joint Color Guard	8	$1,320	Transportation Coordinators	4	$128
DAR Constitution Hall	State Territorial Flags	56	$280	PAO	3	$96
	USMC Drum & Bugle Corps	40	$300			
	USA Old Guard Fife & Drum Corps	18	$270			
Cultural Event	USCG Band & Icebreakers	15	$112	Special Events POC	1	$16
January 19, 1985	USN Country Current	8	$60			
National Air & Space Museum						
Access to Opportunity: Ceremony for the Disabled	USAF Band	22	$110	Special Events POC	1	$16
January 19, 1985						
Hubert H. Humphrey Bldg.						
Health and Human Services						
Salute to Older Americans				Military Coordinators	5	$120
January 19, 1985						
Library of Congress						
Medal of Honor Recipients Reception	Joint Color Guard	8	$80	Military Escort	1	$16
January 19, 1985	USMC Band	5	$50	Special Events POC	2	$48
Washington Hilton						
Presidential Gala	USAF Band	25	$375	Military Coordinators	50	$1,600
January 19, 1985	USNA Glee Club	120	$2,400	Medical Teams	11	$308
Washington Convention Center	USMC Drum & Bugle Corps	52	$780	Transportation Coordinators	5	$160
	USA Old Guard Fife & Drum Corps	26	$390	Liaison Officer	1	$16
	Joint Color Guard Teams	18	$270	Transportation Assistants	22	$704
	USCG Dixieland Band	6	$90			
	USA Brass Five	5	$75			
	USN Country Current	7	$70			
	USA Herald Trumpets	16	$200			
	USA Old Guard Military Cordon	50	$700			

Event/Date/Location	Ceremonial Support Personnel	No.	Cost	AFIC Support Personnel	No.	Cost
Concert for Young Americans	USA Band	35	$175	Military Coordinators	26	$845
January 19, 1985	USMC Silent Drill Team	7	$140	Special Events POC	1	$80
D.C. Starplex Armory	Joint Service Color Guard	6	$40	Transportation Assistants	4	$176
Hispanic Inaugural Ball	Joint Service Color Guard	8	$40	Military Coordinators	10	$432
January 19, 1985	USN Band	18	$405	Special Events POC	2	$72
J.W. Marriott Hotel						
National Prayer Service	USMC Brass Choir	30	$525	Special Events POC	1	$32
January 20, 1985	Presidential Flag Bearer	1	$16	Liaison Officer	1	$32
Washington Cathedral	Vice Presidential Flag Bearer	1	$16			
Private Swearing-In	USMC Band	35	$440			
January 20, 1985	USA Chorus	29	$365			
The White House	Joint Service Color Guard	6	$75			
	MDW Special Events	3	$40			
Medal of Honor Brunch	Joint Service Color Guard	8	$120	Military Escort	1	$24
January 20, 1985	USA Band	30	$450	Special Events POC	1	$32
Sheraton National				AFIC Invitees (attending as guests)	5	$80
Asian American Inaugural Ball	Joint Service Color Guard	8	$60	Military Coordinators	4	$176
January 20, 1985	USCG Band	18	$135	Protocol POC	5	$36
Cannon House Building				Special Events POC	1	$16
Bi-Partisan Congressional Inaugural Celebration	USA Old Guard Fife & Drum Corps	16	$360	Military Escorts	3	$144
January 20, 1985	Color Guard	4	$90			
Corcoran Gallery of Art						
Worship Service						
January 21, 1985				Military Coordinators	6	$192
St. John's Church				Special Events POC	1	$40
Public Swearing-In	Salute Guns	35	$1,050	Transportation Coordinators	10	$160
January 21, 1985	Joint Color Guard	5	$90	Military Escorts	21	$336
The Capitol	USMC Band	45	$790	Protocol POC	3	$48
				Troop Controllers	27	$864
				Capitol Control	7	$224
				Ushers	17	$408

Appendix VII
AFIC Support Costs for 1985 Inaugural Special Events

	Ceremonial Support			AFIC Support		
Event/Date/Location	**Personnel**	**No.**	**Cost**	**Personnel**	**No.**	**Cost**
Congressional Luncheon				Capitol Control	7	$56
January 21, 1985				Military Escorts	21	$168
Capitol Statuary Hall				Protocol POC	3	$24
				Ushers	17	$136
				Troop Controllers	27	$216
				Transportation Coordinators	10	$80
Capitol Center Event (Parade Alternative)	MDW Ushers	59	$1,392	Medical Teams	6	$126
January 21, 1985	USA Herald Trumpets	18	$270	Parade Division POC	11	$264
The Capitol Center	USMC Drum & Bugle Corps	45	$675	Military Escorts	24	$384
	USCG Band	30	$450	March Unit Coordinators	77	$2,464
				Staging	23	$1,288
Eagle's Buffet	USA String Quartet	4	$115	Special Events POC	1	$44
January 21, 1985	USAF String Quartet	4	$90	Protocol POC	1	$28
OAS Building	USCG Woodwind Quintet	5	$115	AFIC Invitees (staff attending as guests)	40	$1,120
"Salute to Heroes" Veterans Ball	USN Band	20	$200	Medical Teams	4	$182
January 21, 1985	Joint Color Guard	8	$80	Special Events POC	2	$152
Capitol Hilton				Communication Support	1	$30
Inaugural Ball	USMC Band	20	$450	Medical Teams	10	$630
January 21, 1985				Military Coordinators	29	$2,088
J.F.K. Center				Special Events POC	2	$240
				Transportation Coordinators	4	$288
Inaugural Ball	USAF Band	30	$750	Medical Teams	6	$224
January 21, 1985				Military Coordinators	18	$1,008
National Air & Space Museum				Special Events POC	2	$128
				Transportation Coordinators	4	$224
				Transportation Assistants	2	$112
Inaugural Ball for Young Americans	USMC Drum & Bugle Corps	75	$1,500	Medical Teams	4	$182
January 21, 1985				Military Coordinators	6	$360
D.C. Starplex Armory				Special Events POC	2	$232
				Transportation Coordinators	4	$208

	Ceremonial Support			AFIC Support		
Event/Date/Location	**Personnel**	**No.**	**Cost**	**Personnel**	**No.**	**Cost**
Inaugural Ball	USA Band	35	$875	Medical Teams	2	$112
January 21, 1985				Transportation Coordinators	4	$272
The Washington Convention				Military Coordinators	54	$4,104
Center, Hall A				Special Events POC	1	$120
				Transportation Assistant	1	$64
Inaugural Ball	USA Fife & Drum Corps	27	$1,147	Medical Teams	6	$378
January 21, 1985				Military Coordinators	58	$3,944
The Washington Convention				Special Events POC	2	$144
Center, Hall B				Transportation Coordinators	4	$272
				Transportation Assistants	2	$136
Inaugural Ball	USN Band	30	$750	Medical Teams	23	$1,288
January 21, 1985	USMC Band	30	$750	Military Coordinators	28	$1,792
The Washington Hilton	USMC Greeters	4	$192	Transportation Assistant	1	$56
				Special Events POC	4	$128
				Transportation Coordinators	4	$128
Inaugural Ball	USCG Band	21	$578	Medical Teams	6	$294
January 21, 1985				Military Coordinators	30	$1,560
The Sheraton Washington				Transportation Coordinators	4	$208
				Special Events POC	2	$224
Inaugural Ball	USMC Band	21	$473	Medical Teams	7	$368
January 21, 1985				Military Coordinators	13	$832
The Shoreham Hotel				Transportation Coordinators	4	$224
				Special Events POC	2	$176
				Communications Support	1	$64
Inaugural Ball	USA Herald Trumpets	16	$440	Medical Teams	6	$252
January 21, 1985				Military Coordinators	29	$1,508
The Pension Building				Special Events POC	2	$152
				Transportation Assistant	1	$52
				Liaison Officer	1	$56
				Transportation Coordinators	4	$208
Subtotals		**2,060**	**$34,360**		**1,078**	**$44,063**
Total Personnel					3,138	
Total Cost						**$78,423**

Source: DOD Reconciliation of Support to the 1985 Presidential Inauguration, February 27, 1985.

Use of Military Personnel by Function 1981-1985

Ceremonial:	**1981**	**1985**
Swearing-In	150	149
Capitol Cordon	800	800
Parade	3819	2570
Parade Cordon	1568	1422
Subtotal	**6337**	**4941**
Non-ceremonial:		
AFIC Staff	562	316
Aides	167	79
Escorts	0	27
Coordinators	324	270
Drivers	699	560
Ushers	338	244
Medical Teams	250	181
Military Police	625	630
Engineer & Snow Removal	1051	727
Military Public Affairs and Photo Documentation	85	58
Parade Control	351	367
Subtotal	**4452**	**3459**
Total	**10789**	**8400**

VIP Military Assistance for 1977, 1981, and 1985

Category	Number of Aides		
	1977	1981	1985
Judiciary	1	1	0
General Bradley	1	1	0
Cabinet	14	21	0
JCCIC	6	8	0
First Family	21[b]	14	23[c]
Second Family	22[b]	13	
Governors	51	51	56
Executive Office, PIC	0	14	0
Entertainers, others	0	44	71[a]
Total	**116**	**167**	**150**

[a]See Appendix X for details and definitions for Escorts (28) and Transportation/Operations Assistants (43).

[b]Includes 11 aides for invited guests of the President and Vice President, alloted six (6) to the First Family and five (5) to the Second Family.

[c]The AFIC after action report did not provide an allocation between the first and second families.

VIP Military Assistance by Group 1985

Military Aide:[a]	No. Deployed
— Governors/Lieutenant Governors State Representatives	- 56 Aides
— First and Second Family	- 23 Aides
Escorts:[b]	
— Maureen Reagan's group	- 1 Escort
— Disabled American Veterans	- 1 Escort
— Medal of Honor Recipients	- 1 Escort
— All-American Band Group	- 24 Escorts
— Chairman, PIC Entertainment	- 1 Escort
Transportation/Operations Assistants:[c]	
— Entertainers, First Family Friends, Big Bands	-43 Assistants Total
Special Coordinators:[d]	
— Assigned to Inaugural Balls and Other Functions Including Assisting Cabinet/Cabinet Level Members at Capitol Swearing-In	- 270 Assigned

[a]Military Aides - Officers assigned to provide logistical support to distinguished guests attending the inauguration. Duties include early contact and establishment of itineraries; coordination of itinerary and escort to appointments; meet guests upon arrival, escort throughout visit, return to airport upon departure.

[b]Escorts - Responsible for ensuring event participants arrive and depart their respective events as planned. Escortingparticipants from lodgings to event sites and back, and assisting at event where required.

[c]Transportation/Operations Assistants - These officers formed a pool of assistants that:

—facilitated movement of large entertainment groups and gala entertainers to and from performance sites,
—facilitated movement of First Family personally invited guests to and from inaugural events, and
—coordinated transportation support for band and entertainment equipment.

[d]Coordinators - Officers assigned to specific inaugural events in order to:

—form cordons for guests of honor,
—assist handicapped guests,
—assist Military Aides with their distinguished guests,
—facilitate movement of attendees, and
—assist in matters of protocol.

Data on Photographic Documentation

Number of Military Photographers:
Officers - 6
Enlisted - 42
Civilians - 12 (8 on loan from Smithsonian Institution)
Number and Type of Photographs, Videotapes, Motion Pictures:
Photographs:
Processed at Navy Audio Visual Center
—Black and White - 51
—Color Slides - 1687
—8"x10" Color Prints - 301
—8"x10" Black and White Prints - 208
Processed at Army Audio Visual Center
—8"x10" Black and White Prints - 435
—8"x10" Color Prints - 758
Videotape:
28 hours of unedited tape
—15 hours of live taping
—13 hours of off air taping
Motion Pictures:
No motion picture film was used or processed.
Costs:
Army - $4,880.20
Navy - $4,185.70 from 1/1/85 to 3/7/85 $2,000.00 prior to 1/1/85
Air Force - Film as follows:
Exposed - 160 rolls of 35mm, 36 exposure film
Returned - 250 rolls
Disposition of Photographic Products:
—600 - 8"x10" black and white photographs consisting of 100 copies each of six different views to: military associations, USIA, Washington Post, and other local and national news media.
—800 - color prints to public affairs representatives of the five participating services
—325 - color prints for after action reports
—800 - color prints ordered by the Smithsonian Institution. The Smithsonian provided two rolls of color paper for the prints in lieu of billing.

Vehicle Information

PIC/AFIC:

Donated Vehicles:
- — 349 sedans and station wagons with a value of about $8 million
- — 36 passenger vans
- — 7 cargo vans
- — 8 trucks

Donated Fuel:
- — 40,000 gallons
- — 34,000 gallons used
- — Balance returned to suppliers

Federal Vehicles:
- — GSA
  - 3 - vans
  - 26- sedans
    - -Available: August 1 - December 1, 1984
    - -Cost - $12,657.36
      - -sedans $109 per month plus 40¢ a mile
      - -vans $159 per month plus 40¢ a mile
- — Military Vehicles
- — Long term
  - 8-Buses
  - 1-Sedan
  - 2-Trucks
  - 4-Vans
- — Parade Rehearsal
  - 11-Buses
  - 5-Trucks
  - 12-Vans
- — Parade Day
  - 17-Buses
  - 5-Trucks
  - 24-Vans
- — Post Parade Day
  - 13-Sedans
  - 1-Truck
  - 6-Vans

Appropriations

AFIC (Department of Defense):	
FY84 (operations & maintenance)	$50,000
FY84 (supplemental - operations & maintenance)	39,000
FY85 (operations & maintenance)	750,000
FY85 (P-2 general support factors)	400,000
U.S. Secret Service:	
Appropriation for Campaign, Inauguration, etc.	$6,000,000
General Services Administration:	
Separate FY85 budget allowance.	
Department of the Interior:	
Absorbed as special event funded from base operating funds, reimbursements, and other funds available.	
District of Columbia Government:	
Special federal payment in FY85 DC Appropriation	$2,300,000
Smithsonian Institution:	
Advance payment from PIC	

Miscellaneous Requested Data

Aircraft/Surface Transportation by AFIC for VIPs:
— AFIC informed us that no air or ground transportation, other than local sedans, was provided VIPs.
PIC Commemorative Sales: (PIC estimate) — Sales: $1,980,000 — Expenses: $2,078,000

Comments From the Executive Office of the President

Recognized on page 41.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF ADMINISTRATION
Washington, D.C. 20503

July 25, 1986

Dear Mr. Anderson,

Thank you for sending your draft of the Presidential Inaugural proposed report for our review and comment.

I do not have any comments on the particulars of the report. However, I would like to advocate that any proposed legislation be flexibly drafted due to the time constraints of such a tremendous undertaking. The resulting language should recognize it to be an unusual quadrennial event, which, by its very nature, cannot be strapped with rigid requirements.

I look forward to being kept up-to-date on the status of this report.

Sincerely,

Charles Kupperman

Charles Kupperman
Deputy Director
Office of Administration

Mr. William J. Anderson
United States
General Accounting Office
Washington, D.C. 20548

Comments From the Department of Defense

ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

PUBLIC AFFAIRS

AUG 2 5 1986

Mr. Frank C. Conahan
Director, National Security and
International Affairs Division
U. S. General Accounting Office
Washington, D. C. 20548

Dear Mr. Conahan:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) final report, "PRESIDENTIAL INAUGURATIONS: Legislation Is Needed To Clarify Agencies' Support Roles," dated June 30, 1986, GAO Code 014210, OSD Case 7060.

Discussed on page 41.

The Department of Defense agrees with the GAO recommendations that the Congress enact legislation both to establish clearly the extent to which inaugural functions and activities are to be publicly financed and to establish clearly that the disbursement of public funds or the furnishing of assistance over and above the extent authorized shall be a violation of the law unless the excesses are promptly reimbursed by appropriate entities.

The military has historically played a major role in supporting presidential inaugurals. This role has expanded over the years, without a corresponding change in statutory authority to provide increased support. As the Federal agency providing the most comprehensive support, DoD has the most serious problem with the lack of explicit statutory authority clearly defining the permissible scope of its support for inaugurations. Clarification of the DoD support role prior to the 1989 presidential inaugural is necessary.

Sincerely,

Fred S. Hoffman

Fred S. Hoffman
Principal Deputy Assistant Secretary

Enclosures

GAO DRAFT REPORT - DATED JUNE 30, 1986
(GAO Code 014210) - OSD CASE 7060

"PRESIDENTIAL INAUGURATIONS: Legislation is Needed to Clarify Agencies' Support Roles."

DEPARTMENT OF DEFENSE COMMENTS

* * * * *

FINDINGS

Now on pages 12-13.

FINDING A: Historical Basis. The GAO observed that the Constitution of the United States prescribes the only legal requirement for the inauguration of a President. The GAO noted, however, that today's inaugurals are surrounded by many events (swearing-in, a parade, and gala(s)) and that periodically the Congress has also enacted legislation setting forth the appropriate inaugural support roles of Federal agencies. The GAO found that the growth of inaugural activities and the various pieces of legislation authorizing Federal agency participation have created the current problem some agencies face in not having clear legal authority for the support they provide the inaugural. (pp. 12-14/GAO Draft Report)

DOD RESPONSE: Concur.

Now on pages 13-14.

FINDING B: The Inauguration Today. The GAO reported that the responsibility for planning and executing the 1985 inaugural rested with the three principal inaugural committees: namely, the Presidential Inaugural Committee (PIC), the Joint Congressional Committee on Inaugural Ceremonies (JCCIC), and the Armed Forces Inaugural Committee (AFIC). The GAO found that the PIC, with a staff of only about 400, relied upon the assistance of AFIC and the Federal agencies to plan and execute all official inaugural events, except the swearing-in ceremony. For example, the GAO found that AFIC, with about 8,500 personnel involved at one time or another, provided staff support to PIC, planned and would have managed the parade had it not been cancelled, provided ceremonial units for inaugural events, and generally carried a large portion of the responsibility for communications, transportation, health and safety, and other operational details. (pp. 14-16/GAO Draft Report)

DOD RESPONSE: Concur.

FINDING C: Legislative Basis for Federal Inaugural Support: Presidential Inauguration Ceremonies Act. The GAO reported that in 1956, Congress addressed the issue of permanent inaugural ceremonies with enactment of the "Presidential Inauguration Ceremonies Act." (36 U.S.C. 721-730). According to the GAO, the Act established the general roles and the responsibilities of the JCCIC, the PIC, the DOD, the Department of the Interior and the District of Columbia, but did not preclude other statutory authorities. The GAO also noted that with regard to the DOD, Section 726, now codified as 10 USC 2543, authorizes the Secretary of Defense to lend to the PIC the following:

Now on page 16

> "such hospital tents, smaller tents, camp appliances, hospital furniture, ensigns, flags, ambulances, drivers, stretchers, and Red Cross flags and poles (except battle flags) as may be spared without detriment to the public service, and under such conditions as he may prescribe." (pp. 16-23/GAO Final Report).

The GAO noted, however, that in its previous report it found there was not specific statutory authority for the DOD support, exclusive of safety and medical support, nor were many of the DOD inaugural activities covered by more general authorities, such as the Economy Act or regulations that support expenditures for local community relations activities. Accordingly, the GAO concluded that much of the support provided by the DOD for the 1981 inaugural activities was without proper legal authority, but recognized that inaugurations are highly symbolic national functions for which the DOD support traditionally had been provided with the knowledge and approval of members of the Congress. The GAO also concluded that the lack of a statutory base for this support had resulted in practices questionable on a policy as well as a legal basis. As a result, in its 1983 report the GAO recommended that the Congress undertake a review of the Presidential Inaugural Ceremonies Act for the purpose of conforming its provisions to recent practices or prohibiting the practices that do not conform with the Act. (pp. 16-26/GAO Draft Report)

Now on pages 17 and 19-21.

DOD RESPONSE: Partially concur. The Department disagrees with GAO's interpretation that 36 U.S.C. § 721(b)(2) established the Presidential Inaugural Committee (PIC) as a private, non-governmental entity. It is the Department's official position that the PIC is a Government "agency" or "instrumentality" for purposes of the Economy Act (31 U.S.C. § 1535). See the Memorandum for the Secretary of Defense, dated 30 November 1984, subject: "1985 Armed Forces Inaugural Committee: (Copy enclosed). The Department agrees, however, that it should have sought reimbursement from the PIC for appropriate inaugural expenses and will do so in the future. (See DOD response to Recommendations 1 and 2).

Discussed on pages 41-42

2

FINDING D: Agencies Lack Authority on Appropriate Roles. The GAO reported that in 1985, the DOD was concerned that it lacked statutory authority to respond to some of the PIC's requests for inaugural support. The GAO observed that of the agencies it reviewed, the DOD, as the Federal agency supplying the most comprehensive support, has the most serious problem with the lack of statutory authority to support inaugurals. The GAO found that at least since the 1977 inauguration, successive AFICs have acknowledged that provisions of the 1956 Presidential Inaugural Ceremonies Act do not give the DOD the legal authority to provide all the support requested by successive PICs. The GAO further observed that in recent years, attempts to achieve a legislative solution to the DOD problems have failed to pass the Congress. The GAO found that the longstanding problems associated with the lack of clear statutory authority were again encountered by AFIC during the 1985 inaugural. The GAO noted, for example, that some of the after action reports prepared by the military personnel assigned to special events, such as receptions, concerts, galas, and balls, reflect the impact of the lack of a clearly defined AFIC role on the expectations of event organizers for military support. The GAO reported examples of some of the problems that occurred, such as:

Now on pages 22-27

-- the use of military units for crowd control and erection of temporary seating at a reception;

-- the use of military personnel as ticket takers;

-- the use of military personnel and their wives to set up tables, stuff party favors, take tickets, and function as security guards; and

-- the use of a military site coordinator to take charge and organize PIC volunteers at a ball. (pp. 27-37/GAO Draft Report)

Change made on page 22.

DOD RESPONSE: Concur. It would be more precise, however, to amend the first sentence of the second full paragraph on page 28 of the Draft Report to read: "In our opinion, DOD, as the Federal agency supplying the most comprehensive support, has the most serious problem with the lack of explicit statutory authority clearly defining the permissible scope of DOD support for inaugurations."

FINDING E: Agencies Provided Inaugural Support Without Reimbursement. The GAO found that during recent inaugurals, Federal agencies shared staff and physical assets in support of the private, nongovernmental PIC and that the issue of reimbursement for such shared support represented a legal problem that various agencies handled differently. The GAO also found that in 1985, AFIC incurred about $10 million in inaugural expense in support of PIC and

in total, billed and received reimbursement from PIC for about $15,700. The GAO also found that PIC reimbursed Fort Belvoir, Virginia, about $27,500 for band and entertainment company expenses and Bolling Air Force Base, Washington, D. C., $3,600 for box lunches; and total PIC reimbursement to the DOD amounted to about $46,800. In total, the GAO found that AFIC did not receive reimbursement for many services provided solely to benefit PIC activities. A few of the selected GAO examples of unreimbursed AFIC services include:

-- AFIC provided 1,078 personnel to support official PIC events, such as galas, balls, and pageants;

-- AFIC provided 43 transportation/operations assistants for coordinating the movement of large entertainment groups, bands, and gala entertainers to and from performance sites;

-- AFIC provided personnel support for PIC's ticket will call operations from January 10 through January 21; and

-- AFIC constructed a mail loading ramp for PIC.

Now on page 32-33.

The GAO concluded that, as with the 1981 inaugural activities, a significant amount of the DOD support for the 1985 inaugural was again provided without proper legal authority. The GAO also concluded that the (1) legal propriety of Federal support of essentially a private organization (PIC) involved in organizing and executing a series of events that were not clearly defined as official Federal Government functions goes beyond being a problem for the DOD or any single Federal agency and (2) absent specific statutory authority, the use of appropriated funds in support of PIC operations and events is inconsistent with current appropriation law and the 1983 Comptroller General decision. Furthermore, the GAO concluded that the varied agency practices concerning taxpayer-funded support of PIC activities constituted another clear indication that Federal agencies need legislative guidance. (pp. 37-45/GAO Draft Report)

DOD RESPONSE: Partially concur. The Department agrees that AFIC did not receive reimbursement for many services provided to the PIC. The Department disagrees, however, that a significant amount of this support was provided to the PIC without sufficient basis, in that custom and tradition have provided a significant historical basis for this type of support. The Department has consistently viewed the PIC as a Government instrumentality whose sole reason for being is to design and direct the inaugural program (36 U.S.C. 721; as discussed on page 17 of the GAO Draft Report, regarding the "Presidential

Discussed on pages 41-42.

Now on page 13.

Inaugural Ceremonies Act"). Thus, the services provided to the PIC were, in fact, authorized, because "the PIC was responsible for all official inaugural events other than the swearing-in ceremony" (as the GAO Draft Report notes on page 14 in its discussion of "The Inauguration Today").

FINDING F: Congress Should Address Inaugural Legislative Deficiences Before the 1989 Inauguration. The GAO noted that in its 1983 report (on the 1981 inaugural activities), it had concluded that much of the support provided by the DOD for inaugural activities was without proper legal authority. At that time, the GAO recommended that the Congress undertake a review of the Presidential Inaugural Ceremonies Act to either amend its provisions to conform to existing practices or prohibit practices not conforming to the statute. The GAO reported that its review of the 1985 inaugural activities confirmed its 1983 findings and recommendations. The GAO suggested that the following details should be addressed in any congressional review of the inaugural functions and activities.

-- define inaugural events as either public or private ceremonies;

-- clarify the legal status of PIC;

-- determine if there is a potential for a larger role for JCCIC;

-- determine whether taxpayer funds should be used for inaugural functions/activities;

-- determine what type of non-financial Federal support is appropriate;

-- determine where responsibility lies for pre-election activities; and

-- decide whether GAO should have access to PIC records.

Now on pages 1 and 36.

The GAO stated that until legal and policy questions surrounding the propriety of Federal Agency support of inaugural activities are resolved, it would continue to be reluctant to judge the appropriateness of specific types or amounts of Federal support. The GAO will also refrain from providing further guidance to the Federal Agencies, providing its views on the adequacy of agency regulations, or exercising the authority provided to it (the GAO) under the provisions of the Anti-Deficiency Act and other statutes on matters pertaining to inaugural expenditures. (pp. 46-53/GAO Draft Report)

5

DOD RESPONSE: Concur. The Department agrees that the Congress needs to enact legislation to establish clearly the extent to which inaugural functions and activities are to be publicly financed either through specific appropriations or through assistance provided by departments and agencies. In addition, the Department supports amendment of 10 U.S.C. § 2543 to expressly authorize the Secretary of Defense to lend, procure, or provide materials, supplies, work, or services of any kind deemed necessary to support either the Presidential Inaugural Committee or the Joint Congressional Committee on Inaugural Ceremonies. Section 3 of S. 2473, 98th Congress, a bill "To facilitate the carrying out of the activities and operations associated with the ceremony of inaugurating the President," contains the text of DOD's proposed change to that statute. Enactment of this legislation would eliminate the quadrennial questions concerning the propriety of specific types of DOD support for various inaugural events.

RECOMMENDATIONS TO THE CONGRESS

Now on page 36.

RECOMMENDATION 1: The GAO recommended that the Congress enact legislation to establish clearly the extent to which inaugural functions and activities are to be publicly financed either through specific appropriations or through assistance provided by departments and agencies. (p. 47/GAO Draft Report)

DOD RESPONSE: Concur. (See DOD response to Findings C and F.)

Now on page 36.

RECOMMENDATION 2: The GAO recommended that the Congress enact legislation to establish clearly that the disbursement of public funds or the furnishing of assistance over and above the extent authorized shall constitute a violation of the anti-deficiency act in the amount of such over disbursement or of the full cost of assistance provided, unless prompt reimbursement is made by the political party of the newly elected President or from other private funds. (p. 47/GAO Draft Report)

DOD RESPONSE: Concur. (See DOD response to Findings C and F.)

Comments From the Department of the Interior

United States Department of the Interior

NATIONAL PARK SERVICE
P.O. BOX 37127
WASHINGTON, D.C. 20013-7127

Your National Park Service Reminds You. . .

"TAKE PRIDE IN AMERICA"

IN REPLY REFER TO:
F4217(230)

JUL 30 1986

Mr. J. Dexter Peach
Director, Resources, Community and
Economic Development Division
U.S. General Accounting Office
Washington, DC 20548

Dear Mr. Peach:

We have reviewed the draft report, "Presidential Inauguration: Legislation is Needed to Clarify Agencies' Support Roles" and provide the following comments:

The Presidential Inaugural Ceremonies Act of 1956 authorizes the Secretary of the Interior to grant permits to the Presidential Inaugural Committee for the temporary use of public space that is managed by the Federal Government for use in inaugural activities. Since these sites are under the administrative and regulatory control of the National Park Service, the Service has full responsibility for protecting both people and resources utilizing these areas under permit. The U.S. Park Police, a branch of the National Park Service, is responsible for providing that protection. Since a substantial percentage of inaugural activities occur in Park Service areas and many participants require a high degree of security, the Park Police has made a considerable effort to provide for the maintenance of law and order during past inaugurals and will undoubtedly be expected to provide similar services in the future.

Since the inaugural events are quadrennial rather than annual in nature, it would be inappropriate to establish a base-funded account for inaugural activity expenses. According to current guidelines for the use of statutorily authorized emergency law and order funds, it would also be inappropriate to charge incurred costs to that account. The only remaining alternative is to request funds specifically for each inaugural during the fiscal year in which it falls. A request by the National Park Service was submitted in Fiscal Year 1985, but supplementary funds were not approved. We will, however, prepare and submit a similar request in Fiscal Year 1989.

Recognized on page 41.

The National Park Service strongly supports GAO's recommendation that Congress enact legislation to clearly establish the statutory authority for participating Federal agencies and to determine the extent to which inaugural functions and activities are to be publicly financed.

Sincerely,

Denis P. Galvin

William Penn Mott, Jr.
Director

cc: Regional Director, National Capital Region

Comments From the Smithsonian Institution

SMITHSONIAN INSTITUTION
Washington, D.C. 20560
U.S.A.

August 11, 1986

Mr. William J. Anderson
Director
General Government Division
U. S. General Accounting Office
Washington, D. C. 20548

Dear Mr. Anderson:

Recognized on page 41.

Thank you for your letter of June 30 and for the copies of the draft report entitled Presidential Inaugurations: Legislation is Needed to Clarify Agencies' Support Roles. We have noted the references therein to the Smithsonian Institution, and have no corrections of those references to call to your attention.

Sincerely,

Dean W. Anderson
Acting Secretary

Comments From the General Services Administration

Recognized on page 41.

Administrator
General Services Administration
Washington, DC 20405

August 11, 1986

Dear Mr. Bowsher:

This letter is in response to the GAO Audit Report Presidential Inaugurations, #814218, dated June 30, 1986, (GSA #25-6816-B). We have reviewed the draft audit and concur with the recommendation that Congress initiate legislation to clarify and provide statutory authority for the General Services Administration's participation in Presidential Inaugurations and to resolve funding problems.

We will be happy to provide any assistance that may be required to assure passage of such legislation.

Sincerely,

Terence C. Golden

The Honorable
Charles A. Bowsher
Comptroller General of the
United States
General Accounting Office
Washington, DC 20548

Comments From the Department of the Treasury

DEPARTMENT OF THE TREASURY
WASHINGTON

ASSISTANT SECRETARY

September 22, 1986

Dear Mr. Anderson:

This is in response to your request for the Department's comments on your draft report entitled, "Presidential Inaugurations: Legislation is Needed to Clarify Agencies' Support."

After review within the Department and the Secret Service, we have no major criticisms or objections to this report. Generally, it is an accurate reflection of the Service's jurisdictional authority and activities as part of the 1985 inauguration. However, we are certainly interested in any legislation introduced on this matter to be sure the Service's protective and investigative authorities remain clear.

Recognized on page 41.

For your information, on page 34, the report makes reference to the use of military units for crowd control at inaugural events. The Armed Forces Inaugural Committee (AFIC) indicated this was a problem due to the lack of a clearly defined AFIC role. You should note that the Secret Service at no time requested or used military units for crowd control during the 1985 inaugural activities.

Now on page 26.

If this office may be of further assistance, please advise.

Recognized on page 41.

Sincerely,

Francis A. Keating, II
Assistant Secretary
(Enforcement)

Mr. William J. Anderson
Director
Federal Government Division
United States General Accounting Office
Washington, D. C. 20548

Comments From the District of Columbia

THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20004

MARION BARRY, JR.
MAYOR

SEP 19 1986

Honorable William J. Anderson
Director
United States General Accounting Office
Washington, D.C. 20534

Dear Mr. Anderson:

Recognized on page 41.

I have reviewed your draft report entitled Presidential Inaugurations and find it accurately reflects the District of Columbia Government's statutory authority to provide support to Presidential Inaugurations.

Moreover since the recommendations in your report are directed to the Congress in relation to federal agencies, no action or comment is necessary from the Government of the District of Columbia.

Sincerely,

Marion S. Barry, Jr.
Mayor

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